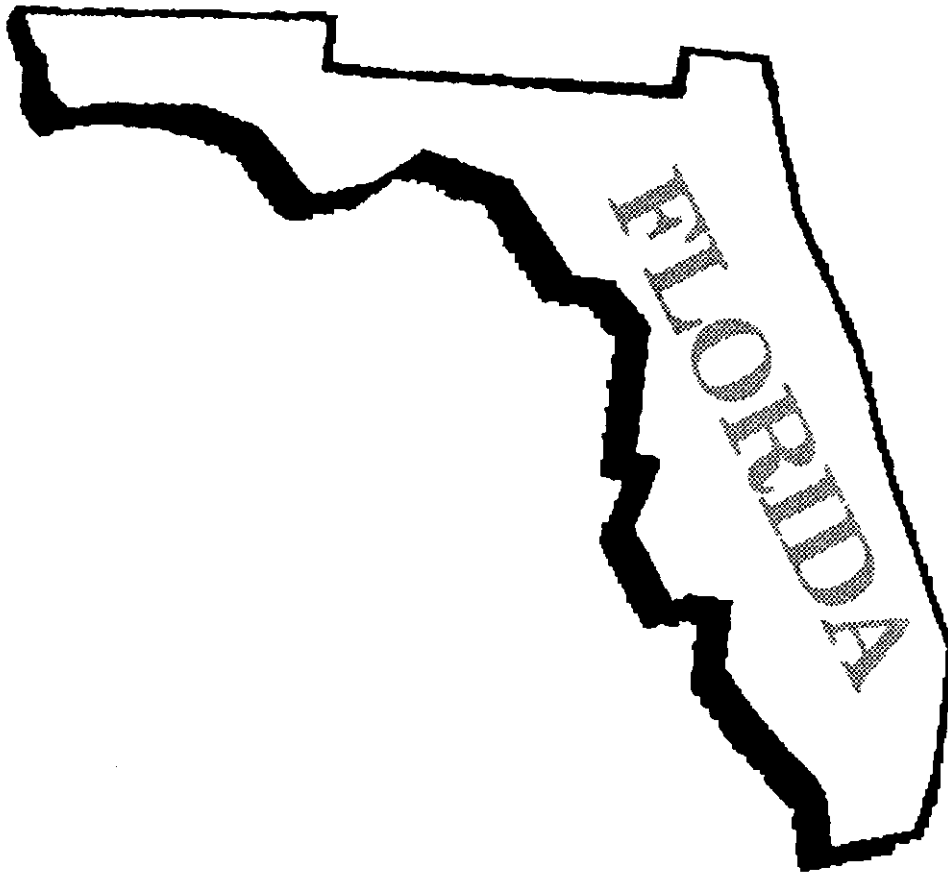


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SOUTHERN BELL - FLORIDA
DOCKET 920260 - TL
MINIMUM FILING REQUIREMENTS
JULY 2, 1993



DOCUMENT NUMBER-DATE

07112 JUL-28

FPSC-RECORDS/REPORTING

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

(A) EXECUTIVE SUMMARY--

1. Schedule A-1a-- An intrastate summary schedule showing for the presently proposed and the previously authorized rate change, authorized and requested test year rate base, operating income, earned rate of return, authorized and requested income requirements, income deficiency/excess, revenue increase/decrease. Also show dollar and percent difference in each of the above. Show reconciled capital structure and capital cost rates. Separately show docket numbers, test year, interim and permanent rate changes, the average number of access lines, and the effective date of new rates in the last case.

Overall Financial Summary @
Revenue Increase Requested
(\$000)

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920250-TL
Test Year 1993

Schedule A-1a
Page 1 of 3
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	(1) Description	(2) Last Rate Case Authorized	(3) Current Case Requested	(4) Difference Col. 3 - Col. 2	(5) % Change
1	Test Year Ended	12/31/90	12/31/93	N/A	N/A
2	Jurisdictional Adjusted Rate Base	4,212,060	4,057,462	(154,598)	-3.67%
3	Rate of Return	9.27%	9.28%	N/A	N/A
4	Jurisdictional Income Requested (L2 * L3)	390,036	376,356	(13,678)	-3.51%
5	Jurisdictional Adjusted Net Operating Income	618,844	372,338	(246,506)	-39.83%
6	Income Deficiency (Excess) (L4 - L5)	(228,808)	4,020	232,828	-101.76%
7	Net Operating Income Factor	0.609299	0.604826	N/A	N/A
8	Revenue Deficiency (Excess) (L6 / L7)	(375,527)	6,647	382,173	-101.77%
9	Attrition Allowance	0	0	0	0.00%
10	Increased Independent Companies Settlements*	(1,029)	0	1,029	-100.00%
11	Revenue Increase Required	(374,498)	See Note	374,498	-100.00%
12	Date of New Rates	10/1/88	See Note	XXXX	
13	Average Number of Access Lines	4,504,100	4,823,117	319,017	7.08%

* For Southern Bell only

Note: Southern Bell's current earnings are within the authorized range under terms of its incentive Plan. No increase in revenue requirement is requested. Any excess over 14% would be subject to sharing provisions of the Incentive Plan.

@ See page 3 of this schedule for a list of the assumptions underlying the data in this Minimum Filing Requirements package.

Overall Financial Summary
Revenue Increase Requested

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1993

Schedule A-1a
Page 2 of 3
Witness Responsible: W. S. Reid

Check Whether Data is:
Historic or Projected
Average or Year End

LAST RATE CASE

Line No.	(1) Class of Capital	(2) Cost of Capital Dollars (000)	(3) Requested Ratio #	(4) Cost Rate	(5) Weighted Cost
1	Long-Term Debt	1,028,518	24.42%	8.88%	2.17%
2	Short-Term Debt	194,017	4.61%	8.45%	0.39%
3	Preferred Stock	0	0.00%	0.00%	0.00%
4	Customer Deposits	46,858	1.11%	7.73%	0.09%
5	Common Equity	1,959,174	46.51%	13.20%	6.14%
6	Tax Credits - Wtd. Cost	171,677	4.08%	11.71%	0.48%
7	Cost Free Capital *	811,818	19.27%	0.00%	0.00%
8	Other (Explain)	0	0.00%	0.00%	0.00%
9	Total	4,212,060	100.00%		9.27%

PRESENT RATE CASE

Line No.	(6) Class of Capital	(7) Cost of Capital Dollars (000)	(8) Requested Ratio	(9) Cost Rate	(10) Weighted Cost
10	Long-Term Debt	1,053,771	25.97%	7.77%	2.02%
11	Short-Term Debt	180,655	4.45%	3.30%	0.15%
12	Preferred Stock	0	0.00%	0.00%	0.00%
13	Customer Deposits	55,182	1.36%	8.23%	0.11%
14	Common Equity	1,940,538	47.83%	14.00%	6.70%
15	Tax Credits - Wtd. Cost	104,223	2.57%	11.81%	0.30%
16	Cost Free Capital **	723,093	17.82%	0.00%	0.00%
17	Other (Explain)	0	0.00%	0.00%	0.00%
18	Total	4,057,462	100.00%		9.28%

* Includes Deferred Tax Credits - Zero Cost (Pre '70)

** Includes Deferred Tax Credits - Zero Cost (Pre '70) of \$97

The ratios shown are those authorized by Commission Order No. 20162.

Supporting Schedules:

Recap Schedules:

Overall Financial Summary
List of Major Assumptions

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1993

Schedule A-1a
Page 3 of 3
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

- 1 South Central Bell Telephone Company and BellSouth Services, Inc. were merged into Southern Bell Telephone and Telegraph Company on January 1, 1992. At that time, the name of Southern Bell Telephone and Telegraph company was changed to BellSouth Telecommunications, Inc. In Order PSC 92-0079-FOF-TL in Docket No. 920009, the Commission approved the name change from Southern Bell Telephone and Telegraph Company to BellSouth Telecommunications, Inc. d/b/a/ Southern Bell Telephone and Telegraph Company (Southern Bell). The company name on the Minimum Filing Requirement schedules is shown as Southern Bell for both historical and projected data. Where there might be confusion as to the data shown on a particular schedule, the schedule is labeled to indicate the basis of the data shown.
- 2 Numerous schedules request data from the "last rate case." The data provided is the 1990 forecasted data as reflected in Commission Order No. 20162 in Docket No. 860069.
- 3 Several schedules require the use of an authorized rate of return. For calculation of proforma adjustments and other rate base impacts, the return on equity used is 13.2% and the overall is 9.29%. For calculation of an overall revenue requirement, the return on equity is 14% and the overall is 9.69%.
- 4 Southern Bell is utilizing forecast 1993 as the test year for the Minimum Filing Requirements. In compliance with Rule 25-4.140, Southern Bell is also providing Minimum Filing Requirements using 1992 historical data. The schedules for test year 1993 are so labeled as the form requires; the schedules for 1992 data are labeled "Test Year- 1 1992."
- 5 On May 28, 1993 Southern Bell filed a waiver request with the Commission requesting waivers or modifications of certain schedule formats in the Minimum Filing Requirements package. Southern Bell has prepared this package on the basis set forth in the request as amended by the FPSC staff's recommendations communicated to us on June 3, 1993. A copy of Southern Bell's May 28, 1993 letter is attached.

Supporting Schedules:

Recap Schedules:

May 28, 1993

Mr. Steve C. Tribble
Director, Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32301

Re: Updated Minimum Filing Requirements Waiver Requests

Dear Mr. Tribble:

Attached are updated requests for Waiver and Modification of certain schedules in the Florida Minimum Filing Requirements that Southern Bell plans to file July 2, 1993. This set of Waiver Requests completely supersedes the previous Waiver Request filed April 22, 1993. Please forward your concurrence to me as soon as possible.

I can be reached at 224-7798 if you wish to discuss further.

Sincerely,

Anthony M. Lombardo

Attachments

cc: All parties of record

BellSouth Telecommunications, Inc.
d/b/a Southern Bell
Request for Waiver and Modification
of Minimum Filing Requirements

(Updated 5/28/93)

As noted in Southern Bell's March 26, 1993 "test year letter," Southern Bell plans to file MFRs utilizing forecast year 1993. In compliance with Rule 25-4.141(2)(a), Florida Administrative Code, and consistent with individual Schedule requirements, Southern Bell will also file MFRs utilizing the 1992 actual results. In addition, pursuant to Rule 25-4.141(4), Southern Bell requests modification or waiver of MFR requirements as follows:

(A)
InterLATA, IntraLATA, and Local Detail

Southern Bell's budget process forecasts total intrastate operations, but does not provide a breakdown of interLATA and intraLATA expense and investment. Furthermore, the budget process does not forecast allocation factors for interLATA or intraLATA calculations. In the absence of the pooling arrangements that previously existed, intrastate interLATA and intrastate intraLATA cost allocations are of limited use, since they do not form the basis for rate setting for intrastate access charges and other intrastate tariffs. Also, in view of the minimal impact of intraLATA private line pooling, and in anticipation of the ending of the intraLATA private line pool, Southern Bell does not forecast interLATA or intraLATA allocation factors or the underlying usage data, nor does it incorporate any interLATA/intraLATA forecasting algorithms in its budget models. To develop the data now would require a substantial work effort involving extensive programming changes to the budget models and many hours would also need to be devoted to the development of relevant factor inputs. Southern Bell therefore requests that the Commission waive the requirement to populate interLATA, intraLATA, and local detail on the following MFR schedules:

A-6b	Analysis of individual rate case adjustments
B-1a	Summary rate base information - per books
B-1b	Summary rate base information - adjusted
B-3b	Florida separated average balance sheet
C-1a	Per books operating income summary
C-1b	Adjusted operating income summary
C-3	Separated income statement
C-24a	Annual minutes of use
C-24b	Monthly minutes of use
C-24c	Schedule of separation percents
C-24f	Calculation of unadjusted intrastate independent company settlements

(B)

Schedule B-5a - Monthly Operating Reports
Schedule C-24h - Monthly Cost Studies
Schedule C-24i - Traffic and Revenue Settlements Agreement
Schedule E-1a - Present and Proposed Rates and
Revenue Increases
Schedule F-2 - Demand and Facility Charts

Southern Bell requests that it not be required to file the twenty (20) copies of these reports as set forth in Rule 25-4.141(1)(i). The monthly operating reports consist of approximately 1134 pages of information, the monthly cost studies consist of 96 sheets of microfiche, the settlements agreements consist of approximately 1024 pages of information, the rates and revenue increases consist of approximately 1100 pages, and the Demand & Facility (DSF) charts consist of approximately 1250 pages. Southern Bell proposes to limit the number of copies served for each of these schedules to four (4) copies.

(C)

Schedule B-6a - Working Capital
Materials and Supplies

The detail requested in the Schedule B-6a format is not available in Southern Bell's accounting system on a forecasted or historical basis. Therefore, for historical data Southern Bell proposes to provide material data in the format shown in Attachment 1, as it did in the November 1991 MMFRs in Docket 911109-TL and in the test year 1991 Minimum Filing Requirements previously filed in Docket 920260-TL. For forecasted data, Southern Bell proposes to provide the forecasted balance of Account 1220 by month.

(D)

Schedule B-7b - Abandoned Projects

Southern Bell proposes to provide total forecasted abandoned projects. The forecast of this amount will be trended based on historical information. The identity of the specific projects that could subsequently be abandoned is not known in advance.

(E)

Schedule C-7 - Charitable Contributions and
Social Service Club Dues and Expenses

Charitable contributions are forecasted only in the aggregate, based on trended data, and are therefore available only in total on a budget basis. Under its current regulatory plan, Southern Bell excludes all

of these expenses from regulatory treatment. Therefore, this schedule is not applicable and Southern Bell proposes to exclude it from both the historical and forecasted schedules.

(F)

Schedule C-11b - Company and Contract Personnel
by Department
Schedule C-11c - Summary of Employee Compensation
Schedule C-11d - Loaded Hourly Labor Rate

Southern Bell contracts on an individual job basis rather than on an employee basis. Thus, the contract personnel information sought by this schedule is not available, and Southern Bell requests a waiver of the requirement to provide the contract personnel data in the format requested in this schedule. However, Southern Bell proposes to provide three (3) sample contractor bills, including Company labor comparisons where appropriate, and will make other contractor billing information available for the FPSC Staff's review.

In addition, Southern Bell proposes to revise job titles where the titles listed in Schedule C-11b are no longer applicable (see Attachment 2).

(G)

Schedule C-24f - Independent Company Settlements

Southern Bell requests a waiver for portions of the material to be provided in Schedule C-24f. As explained in item "A" above, Southern Bell's budget process does not forecast interLATA or intraLATA allocation factors or amounts. Southern Bell therefore does not have the information to populate page 1 of Schedule C-24f in its 1993 budget.

The pool data on page 2 of this schedule is prepared from the cost study data submitted by all pool participants. Because most of the participants exited the pool at the end of 1992, it was agreed that it would not be necessary to submit 1992 cost studies. Therefore, Southern Bell does not have the information to prepare page 2 of Schedule C-24f for 1992 or 1993.

(H)

Schedule C-28, Cost of Equal Access and
Network Reconfiguration

Southern Bell proposes to provide the data in the revised format shown in Attachment 3. The format of Schedule C-28 requires more detail than is available from the Company's Equal Access/Network Reconfiguration

tracking procedures. In Order 14452 of Docket No. 820537, the Commission utilized the benefit of depooling as a source of funds to offset Equal Access. Subsequently, in Docket No. 880069, rates were set for total revenue requirements which included Equal Access costs. Therefore, the requested information pertaining to interexchange carrier reimbursement and associated finance cost is not applicable to Southern Bell.

(I)

Schedule E-8 - Zone/mileage Charges

Because Florida Zone/Mileage charges applicable to local exchange service have been eliminated, this schedule is not applicable.

(J)

Schedule F-1b - Annual Quality of Service Standards

Southern Bell requests waiver of the requirement to provide items #2 (Call Completions), #4 (Adequacy of Intercept), and #6 (Repair Service Rebates-24 Hours) of Schedule F-1b. The programming required to modify Southern Bell's mechanized systems to provide summary reports containing this information would be impractical and would be an excessive economic burden. However, Southern Bell will provide a summary of results from the 1992 and 1993 Service Evaluations addressing all of the above topics which have been conducted by the Florida Public Service Commission Staff.

(K)

Schedules G-1 through G-9

Interim rates are not applicable since no interim rates changes will be requested in the July 2 submission.

(L)

Additional Minor Changes

In addition, we propose to make the same minor changes to several forms that we have made in the 1991 and 1990 filings. These include:

- (1) Schedule A-6b - Add lines for Cash Working Capital and Uncollectibles.
- (2) Schedule A-2a - Omit line 7 "Vehicles and Other Work Equipment" (Part 31 account) and renumber lines so rows match A-2d.

- (3) Schedules B-4a and B-4b - Add account 2220 and account 2351, and renumber the rows.
- (4) Schedules C-2a and C-2b - Correct the calculation description for the headings in columns 15 and 16 of Schedule C-2a, and column 7 of Schedule C-2b.
- (5) Schedule B-3b - Insert an additional column to show both the balance sheet amounts recorded on the Southern Bell Company books and the amounts allocated to Florida.
- (6) Schedule B-3a - Use Part 32 accounts designated in Schedule B-1 of Form M.
- (7) Schedule D-9 - Use the revised format used previously that shows the allocation of total company balances to Florida.

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

2. Schedule A-1b-- An analysis of the reasons for the proposed rate change, separately identifying those relating to changes in cost of capital, rate base, depreciation, attrition, revenue, expense and other relevant changes since the last rate change that explain the rate change requirement.

Reasons for Requested Rate Increase
 (\$000)

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [X] or Year End []

Line No.	Description	Type of Attrition	Revenue Requirement Effect (\$000)	Percent of Total
	(1)	(2)	(3)	(4)
1.	Increase requested to make utility whole (floor of last allowed return), earning ___% rate of return on previously authorized rate base of \$_____.	NOI	N/A	N/A
2.	Amount requested to allow utility to earn mid-point of previously authorized rate of return of 9.27% (13.2% on equity) on previously authorized rate base of \$4,212,060.	NOI	2,138	30.89%
3.	Amount requested to allow utility to earn rate of return of 8.88% based on current capital structure, mid-point of last allowed equity return of 13.2% on previously authorized rate base.	Cost of Capital	(27,160)	-392.43%
4.	Amount requested to allow utility to earn rate of return of 8.88% (3. above) on increase (decrease) in previously authorized rate base of \$4,212,060 to 'per book' rate base of \$4,150,119.	Rate Base	(9,094)	-131.40%
5.	Amount requested to increase equity return to 14% and overall rate of return 9.28% on the 'per book' rate base.	Cost of Capital	27,446	396.56%
6.	Amount requested for attrition allowance computed at 9.28%	Other	(22,935)	-331.38%
7.	Other Adjustments (listed separately where the effect exceeds 5%):	Other		
	Implementation of SFAS 112		14,202	205.20%
	Impact of 1993 Bond Refinancings		8,019	115.86%
	Hurricane Expense True-up		11,578	167.29%
	Expiring Amortizations - 1994		(16,888)	-244.01%
	Company Proposal:			
	Expanded Local Service Plan		966	13.96%
	Message Rate Restructure		(1,384)	-20.00%
	Switched Access		4,995	72.17%
	Dade/Broward County \$.25 Plan		10,470	151.28%
	Casualty Damage Reserve Accrual		5,726	82.73%
	Extraordinary Retirements Expense		(2,872)	-41.50%
	Excess Plug-Ins		(2,550)	-36.84%
	WECO Tax Credit		3,090	44.65%
	Out of Period Revenue		(1,500)	-21.67%
	Interest Reconciliation & AFUDC Debt		7,559	109.22%
	Interest Imputation		(1,774)	-25.63%
	Lobbying Expense		(475)	-6.86%
	Abandoned Projects		552	7.98%
	Other Regulatory Adjustments		(2,759)	-39.86%
	Other		(429)	-6.20%
	Subtotal		36,526	527.76%
8.	Total (See Note)		6,921	100.00%

NOTE: Southern Bell's current earnings are within the authorized range under terms of its Incentive Plan. No increase in revenue requirement is requested.

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

3. Schedule A-1c-- A narrative description of all new or novel issues in the present case that have not been previously addressed by the Commission (e.g., depreciation methodology, etc.).

New Issues

FLORIDA PUBLIC SERVICE COMMISSION
 Company: Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year: 1993

Schedule A-1c
 Page 1 of 2
 Witnesses Responsible: W. S. Reid

Check Whether Data Is:
 Historic or Projected
 Average or Year End

Item	Title	Description
1 1.	Other Post Retirement Benefits	The Financial Accounting Standards Board adopted SFAS 106 requiring companies to accrue for the expected costs of non-pension benefits (payable after retirement) during an employee's working career. The standard is effective for fiscal years ending after December 15, 1992; however, earlier adoption is allowed.
2	(SFAS 106)	
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8 2.	Accounting for Income Taxes	The Financial Accounting Standards Board adopted SFAS 109 requiring companies to normalize previously "flowed-through" tax effects and to restate deferred tax balances to current tax rates. The Company proposes to adopt this standard on a revenue requirement neutral basis. The standard is effective for fiscal years beginning after December 15, 1992.
9	(SFAS 109)	
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14		
15 3.	Employers' Accounting for Postemployment Benefits	The Financial Accounting Standards Board adopted SFAS 112 requiring employers to recognize a liability for postemployment benefits if certain conditions are met. The company proposes to accrue expenses in 1994 that establish the full liability for these benefits that have been earned by the Company's employees. Southern Bell must adopt SFAS 112 for financial reporting purposes no later than calendar year 1994.
16	(SFAS 112)	
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22		
23 4.	Casualty Reserve	Due to the recent increase in the severity and frequency of hurricanes and other natural disasters, and the Company's inability to obtain adequate insurance for such disasters at this time, the Company proposes that the Commission allow for reasonable accruals to establish a casualty reserve.
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Supporting Schedules:

Recap Schedules:

New Issues

FLORIDA PUBLIC SERVICE COMMISSION
Company: Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year: 1993

Schedule A-1c
Page 2 of 2
Witnesses Responsible:

W. S. Reid
A. M. Lombardo
N. H. Sims

Check Whether Data Is:
Historic or Projected
Average or Year End

Item	Title	Description
1 5.	Extraordinary Reserve Entry for	The Company proposes that the amount of extraordinary retirements resulting from the destruction of Hurricane Andrew be allowed as an expense in 1993 to offset part of the depreciation expense reduction from represcription in Order 93-0462-FOF-TL dated 3/25/93. The extraordinary retirements were not considered when the Company's depreciation rates were set.
2	Hurricane Andrew	
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Supporting Schedules:

Recap Schedules:

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

4. Schedule A-2a-- A 12-month average jurisdictional rate base computation for the test period (adjusted) and as determined by the Commission in the last rate case (adjusted). Indicate dollar and percentage changes and compound annual growth rates for each component of rate base.

Rate Base
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Schedule A-2a
Page 1 of 1
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Account (1)	Last Rate Case * Adjusted Intrastate (2)	Present Rate Case Adjusted Intrastate (3)	Increase Over Last Rate Case (4)	% Increase Over Last Rate Case (5)	Compound Annual Growth Rate (6)
1	General Support	916,593	812,256	(104,337)	-11.38%	-3.95%
2	Central Office	2,167,224	2,625,447	458,223	21.14%	6.60%
3	Info Orig./Term.	244,236	3,470,148	3,225,912	1320.82%	142.20%
4	Cable & Wire Fac.	2,866,446	124,667	(2,741,779)	-95.65%	-64.83%
5	Amortizable Assets	50,390	14,696	(35,694)	-70.84%	-33.68%
6	Total Plant in Service	6,244,889	7,047,213	802,324	12.85%	4.11%
7	Less: Depreciation Reserve	2,063,852	3,041,288	977,436	47.36%	13.80%
8	Net Plant in Service	4,181,037	4,005,925	(175,112)	-4.19%	-1.42%
9	Plant Under Construction ST	30,879	34,223	3,344	10.83%	3.49%
10	Property Held for Future Use	144	179	35	24.31%	7.52%
11	Net Plant	4,212,060	4,040,327	(171,733)	-4.08%	-1.38%
12	Working Capital	0	17,135	17,135	0.00%	0.00%
13	Rate Base	4,212,060	4,057,462	(154,598)	-3.67%	-1.24%

* Last Rate Case amounts are 1990 forecasted data as reflected in Commission Order 20162 in Docket No. 880069-TL.

Supporting Schedules: A-2d, A-6a, A-6b, B-1b, B-2b

Recap Schedules: A-1a

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

5. Schedule A-2b-- A summary of jurisdictional net operating income for the test period (adjusted) and as determined by the Commission in last rate case (adjusted). Indicate dollar and percentage changes and compound annual growth rates for each component of net operating income. Also, identify rate base and rate of return.

Net Operating Income and Rate of Return
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Schedule A-2b
Page 1 of 1
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End [X]

Line No.	Account (1)	Last Rate Case * Adjusted Intrastate (2)	Present Rate Case Adjusted Intrastate (3)	Increase Over Last Rate Case (4)	% Increase Over Last Rate Case (5)	Compound Annual Growth Rate (6)
1	Operating Revenues					
2	Local Service	1,385,055	1,509,219	124,164	8.96%	2.90%
3	InterLATA	292,493	314,410	21,917	7.49%	2.44%
4	IntraLATA	371,241	335,149	(36,092)	-9.72%	-3.85%
5	Miscellaneous	221,440	294,077	72,637	32.80%	9.92%
6	Uncollectibles	26,506	39,859	13,353	50.38%	14.57%
7	Total Operating Revenues	2,245,723	2,412,996	169,273	7.54%	2.45%
8	Operating Expenses					
9	Plant Specific	459,668	430,782	(28,886)	-6.28%	-2.14%
10	Plant Nonspecific	200,187	217,758	17,571	8.78%	2.84%
11	Depreciation	504,959	517,703	12,744	2.52%	0.87%
12	Customer Operations	271,690	364,211	92,521	34.05%	10.26%
13	Corporate Operations	184,969	241,037	56,068	30.31%	9.23%
14	Other	(83)	1,084	1,167	1406.02%	ERR
15	Total Operating Expenses	1,620,790	1,772,575	151,785	9.36%	3.03%
16	Taxes					
17	Federal Income Tax	103,709	103,730	21	0.02%	0.01%
18	State Income Tax	26,280	24,180	(2,100)	-7.99%	-2.74%
19	Other Tax Expense	111,807	140,174	28,367	25.36%	7.89%
20	Total Tax Expenses	241,596	268,084	26,488	10.96%	3.53%
21	Total Operating Expenses and Taxes	1,862,386	2,040,658	178,272	9.57%	3.09%
22	Net Operating Income	381,337	372,338	(8,999)	-2.36%	-0.79%
23	Rate Base	4,212,060	4,057,462	(154,598)	-3.67%	-1.24%
24	Rate of Return	9.05%	9.18%			

* Last Rate Case amounts are 1990 forecasted data as reflected in Commission Order 20162 in Docket No. 880069-TL.

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

6. Schedule A-2c-- A jurisdictional cost of capital as determined by the Commission in the company's last rate case compared to the jurisdictional cost of capital requested by the company in the current case.

SUMMARY OF JURISDICTIONAL CAPITAL STRUCTURE AND COST RATES

FLORIDA PUBLIC SERVICE COMMISSION
 Company: Southern Bell Telephone & Telegraph
 Docket No. 920260-TL
 Test Year: 1993

Schedule A-2c
 Page 1 of 1
 Witness Responsible : WILLIAM B. KECK

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [X] or Year End []

Line No.	(1) Capital Structure Item	(2)	(3)	(4)	(5)
		Jurisdictional Capital Structure As Determined By Commission in Last Case # Ended 12/31/90 (Forecasted)	Jurisdictional Capital Structure As Requested By Company in Current Case ## Ended 12/31/93 (Projected)	Jurisdictional Cost Rates As Determined By Commission in Last Case #	Jurisdictional Cost Rates As Requested By Company in Current Case ## Ended 12/31/93 (Projected)
1.	Long-Term Debt	\$1,028,516	\$1,053,771	8.88%	7.77%
2.	Short-Term Debt	194,017	180,655	8.45%	3.30%
3.	Preferred Stock	0	0	0.00%	0.00%
4.	Customer Deposits	46,858	55,182	7.73%	8.23%
5.	Common Equity	1,959,174	1,940,538	13.20%	NA *
6.	Cost Free Capital @	811,818	723,093	0.00%	0.00%
7.	Investment Tax Credits	171,677	104,223	11.71%	NA *
9.	Other (Explain)				
10.	Total Capital	\$4,212,060	\$4,057,462		

@ Includes Deferred Tax Credits Zero Cost (Pre-'70)

* Southern Bell, in filing the Minimum Filing Requirements package, has not requested any change in its currently authorized return on equity.

Investor-supplied capital spread based on Southern Bell (4 states) capital structure and Southern Bell cost rates are used for Long-Term and Short Term Debt.

Investor-supplied capital spread based on BellSouth Telecommunications (9 states) capital structure and BellSouth Telecommunications cost rates are used for Long-Term and Short-Term Debt.

Supporting Schedules: D-1, D-9

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

7. Schedule A-2d-- A jurisdictional rate base computation (per books, adjusted) comparing Commission basis with company basis, for the test period.

Rate Base
(000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule A-2d
 Page 1 of 1
 Witness Responsible: W. S. Reid

Check Whether Data Is:
 Historic or Projected
 Average or Year End

Line No.	Account (1)	Intrastate Per Books (2)	Commission Basis Adjusted Intrastate (3)	Company Basis Adjusted Intrastate (4)
1.	General Support	882,861	812,256	812,256
2.	Central Office	2,642,051	2,625,447	2,625,447
3.	Information Orig./Term.	3,470,148	3,470,148	3,470,148
4.	Cable and Wire Fac.	124,667	124,667	124,667
5.	Amortizable Assets	14,696	14,696	14,696
6.	Total Plant in Service	7,134,422	7,047,213	7,047,213
7.	Less: Depreciation Reserve	3,016,829	3,022,590	3,041,288
8.	Net Plant in Service	4,117,593	4,024,623	4,005,925
9.	Plant Under Construction	34,223	34,223	34,223
10.	Property Held for Future Use	179	179	179
11.	Net Plant	4,151,995	4,059,025	4,040,327
12.	Working Capital	(1,876)	27,575	17,135
13.	Rate Base	4,150,119	4,086,599	4,057,462

Supporting Schedules: A-2a, A-2b, A-2e, A-6a, A-6b, B-1a, B-1b, B-2b

Recap Schedules: A-1a

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

8. Schedule A-2e-- A jurisdictional rate of return calculation, per books (adjusted), showing the effect of the proposed rate increase on a Commission basis and on a company basis.

Rate of Return
Per Book, Adjusted and Proposed
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Schedule A-2e
Page 1 of 1
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Account (1)	Intrastate Per Books (2)	Commission Basis Adjusted Results (3)	Earnings at Proposed Rates (4)	Company Basis Adjusted Results (5)	Earnings at Proposed Rates (6)
1.	Operating Revenues					
2.	Local Service	1,505,981	1,507,659	1,507,659	1,509,219	1,509,219
3.	InterLATA	314,410	314,410	314,410	314,410	314,410
4.	IntraLATA	343,444	340,144	340,144	335,149	335,149
5.	Miscellaneous	294,077	294,077	294,077	294,077	294,077
6.	Uncollectibles	39,973	39,917	39,917	39,859	39,859
7.	Total Operating Revenues	2,417,939	2,416,373	2,416,373	2,412,998	2,412,998
8.	Operating Expenses					
9.	Plant Specific	429,754	430,080	430,080	430,782	430,782
10.	Plant Nonspecific	217,758	217,758	217,758	217,758	217,758
11.	Depreciation	531,178	517,703	517,703	517,703	517,703
12.	Customer Operations	359,111	364,211	364,211	364,211	364,211
13.	Corporate Operations	219,593	225,922	225,922	241,037	241,037
14.	Other	0	(4,916)	(4,916)	1,084	1,084
15.	Total Operating Expenses	1,757,394	1,750,758	1,750,758	1,772,575	1,772,575
16.	Taxes					
17.	Federal Income tax	105,940	111,810	111,810	103,730	103,730
18.	State Income tax	25,174	25,563	25,563	24,180	24,180
19.	Other taxes	140,265	140,220	140,220	140,174	140,174
20.	Total Tax Expense	271,379	277,593	277,593	268,084	268,084
21.	Total Operating Expenses and Taxes	2,028,773	2,028,351	2,028,351	2,040,658	2,040,658
22.	Net Operating Income	389,166	388,022	388,022	372,338	372,338
23.	Rate Base (from Schedule A-2d)	4,150,119	4,086,599	4,086,599	4,057,462	4,057,462
24.	Rate of Return	9.38%	9.49%	9.49%	9.18%	9.18%

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

9. Schedule A-3-- A calculation of the jurisdictional revenue deficiency/excess using the test period per books rate base, required rate of return, per books net operating income, tax expansion factor and adjustments consistent with those that were used in the company's most recent rate case on a Commission and company basis. The required rate of return for this calculation is the weighted average cost of capital for the test year from Schedule D-1.

Calculation of Intrastate Revenue Deficiency (Excess)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule A-3
 Page 1 of 1
 Witness Responsible: W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [X] or Year End []

Line No.	Description (1)	Refer to Supporting Schedule (2)	Per Books (3)	Commission Basis (4)	Company Basis (5)
1.	Rate Base	A-2d	4,150,119	4,086,599	4,057,462
2.	Operating Income	C-1a, C-1b	389,166	388,022	372,338
3.	Earned Rate of Return (2 - 1)	A-2e	9.38%	9.49%	9.18%
4.	Last Authorized Rate of Return		9.28%	9.28%	9.28%
5.	Required Operating Income (1 x 4)		384,952	379,061	376,358
6.	Operating Income Deficiency (5 - 2)		(4,213)	(8,962)	4,020
7.	Revenue Expansion Factor	C-13	0.604826	0.604826	0.604826
8.	Revenue Deficiency (Excess) (6 / 7)		(6,966)	(14,817)	6,647
9.*	Increased Payments to Ind. Cos. Due to Line 8		0	0	0
10.	Attrition Allowance		0	0	0
11.	Total Revenue Requirement (8 + 9* + 10)		N/A	See Note	See Note

* For Southern Bell Only

Note: Southern Bell's current earnings are well within the authorized range under terms of its Incentive Plan. No increase in revenue requirement is requested. Any excess over 14% would be subject to sharing provisions of the Incentive Plan.

Supporting Schedules:
 A-2d, A-2e, C-1a, C-1b, C-13

Recap Schedules:
 A-1a

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

10. Schedule A-4-- A summary of financial indicators including interest coverage ratios, preferred dividend coverage, ratio of earnings to fixed charges, and earnings per share, both including and excluding AFUDC for the test year of the last rate case, the test year of the present rate case, and the year immediately following the present test year. Also include AFUDC as a percent of income available for common, percent of contribution funds generated internally, and dividends per share. Show the ratios both with and without the requested rate increase.

Summary of Financial Indicators

FLORIDA PUBLIC SERVICE COMMISSION
 Company: Southern Bell Telephone & Telegraph
 Docket No.: 920260-TL
 Test Year: 1993

Schedule A-4
 Page 1 of 1
 Witness Responsible WALTER REID
 Prepared By WILLIAM B. XECK

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [X] or Year End []

Line No.	(1) Indicator	(2) Test Year Last Rate Case Prior to Rate Increase *	(3) Test Year 1993 This Rate Case Prior To Requested Rate Increase	(4) Year After Current Test Year (1994) Without Requested Rate Increase
Interest Coverage Ratios:				
1.	Including AFUDC in Income Before Interest Charges	N/A	5.22	5.07
2.	Excluding AFUDC from Income Before Interest Charges	N/A	5.21	5.06
Other Financial Ratios:				
3.	AFUDC as a percent of Income Available for Common	N/A	0.34%	0.34%
4.	Percent of Construction Funds Generated Internally	N/A	91.8% e	97.3% e
Preferred Dividend Coverage:				
5.	Including AFUDC	N/A	N/A	N/A
6.	Excluding AFUDC	N/A	N/A	N/A
Ratio of Earnings to Fixed Charges:				
7.	Including AFUDC	N/A	2.71	2.75
8.	Excluding AFUDC	N/A	2.70	2.73
Earnings Per Share				
9.	Including AFUDC	N/A	N/A	N/A
10.	Excluding AFUDC	N/A	N/A	N/A
11.	Dividends Per Share	N/A	N/A	N/A

* Florida-specific information was not developed for last rate case.
 e This information is not available specifically for Florida. The percentages provided are for Southern Bell.

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

11. Schedule A-5a-- A summary, categorized by revenue sources (tariff and other) of test year revenues, proposed annual revenues, and associated dollar and percentage change. Before compiling this information, the company shall obtain approval of the revenue source categories from the Communications Department. The sum of proposed increases from all revenue categories shall collectively equal the total dollar rate increase requested. All subtotals and totals shall match those contained in Schedule E-1a. Tariff items proposed for transfer from one tariff subsection to another or proposed for rate structure modification shall not be included in either the old or new tariff subsection but shall be separately explained and identified.

Major Service Summary of Annual Revenues

Line No.	Tariff Sec.	Service Description	PRESENT RECURRING REVENUE	PRESENT NON-RECURRING REVENUE	PRESENT REVENUE TOTAL	PROPOSED RECURRING REVENUE	PROPOSED NON-RECURRING REVENUE	PROPOSED REVENUE TOTAL	\$ REVENUE CHANGE	% REVENUE CHANGE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1	A002	GENERAL REGULATIONS	\$0	\$20,016,255	\$20,016,255	\$0	\$20,016,255	\$20,016,255	\$0	0.00%
2	A003	BASIC LOCAL EXCHANGE SERVICE	\$1,005,834,017	\$0	\$1,005,834,017	\$1,046,107,037	\$0	\$1,046,107,037	\$40,273,020	4.00%
3	A004	SERVICE CHARGES	\$97,266,332	\$771,328	\$98,037,660	\$83,296,729	\$771,328	\$84,068,057	(\$13,969,603)	-14.25%
4	A005	CHGS APPL. UNDER SPECIAL COND.	\$14,000,400	\$1,847,953	\$15,848,353	\$14,000,400	\$1,847,953	\$15,848,353	\$0	0.00%
5	A006	DIRECTORY LISTINGS	\$21,906,010	\$0	\$21,906,010	\$21,906,010	\$0	\$21,906,010	\$0	0.00%
6	A007	COIN TELEPHONE SERVICE	\$49,630,291	\$1,849	\$49,632,140	\$44,089,966	\$1,849	\$44,091,815	(\$5,540,325)	-11.16%
7	A008	TELEPHONE ANS. SVC. FACILITIES	\$307,252	\$0	\$307,252	\$307,252	\$0	\$307,252	\$0	0.00%
8	A009	PX SERVICE AND FOREIGN CO SVC.	\$30,487,433	\$791,031	\$31,278,464	\$30,840,850	\$791,031	\$31,631,881	\$353,417	1.13%
9	A011	PBX IDENT. -OUTWARD-DIALING SV	\$94,692	\$0	\$94,692	\$94,692	\$0	\$94,692	\$0	0.00%
10	A012.0	GENERAL	(\$11,127,672)	\$0	(\$11,127,672)	(\$11,127,672)	\$0	(\$11,127,672)	\$0	0.00%
11	A012.1	ESSX ANALOG	\$13,048,593	\$1,216,605	\$14,265,198	\$13,048,593	\$1,216,605	\$14,265,198	\$0	0.00%
12	A012.4	ESSX - ACD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
13	A012.5	ESSX ETS	\$3,359	\$996	\$4,355	\$3,359	\$996	\$4,355	\$0	0.00%
14	A012.6	MISCELLANEOUS FEATURES	\$15,350,235	\$959,494	\$16,309,729	\$15,350,235	\$959,494	\$16,309,729	\$0	0.00%
15	A012.13	ESSX DIGITAL	\$17,612,772	\$1,241,551	\$18,854,323	\$17,612,772	\$1,241,551	\$18,854,323	\$0	0.00%
16	A012.16	PRESTIGE COMMUNICATIONS SERV	\$2,248,577	\$0	\$2,248,577	\$2,248,577	\$0	\$2,248,577	\$0	0.00%
17	A012.17	DIGITAL ETS	\$47,745	\$53,139	\$100,884	\$47,745	\$53,139	\$100,884	\$0	0.00%
18	A012.18	ISDN	\$72,058	\$41,508	\$113,566	\$72,058	\$41,508	\$113,566	\$0	0.00%
19	A013	MISCELLANEOUS SVC. ARRANGEMENTS	\$236,781,589	\$2,241,309	\$239,022,898	\$231,171,362	\$2,241,309	\$233,412,671	(\$5,610,227)	-2.35%
20	A014	AUXILIARY EQUIPMENT	\$58,147	\$1,207,445	\$1,265,592	\$58,147	\$1,207,445	\$1,265,592	\$0	0.00%
21	A015	CONN. OF TERM. EQ./COMM. SYS.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
22	A018	LONG DISTANCE MTS	\$221,043,048	\$0	\$221,043,048	\$140,424,064	\$0	\$140,424,064	(\$80,618,984)	-36.47%

Major Service Summary of Annual Revenues

Line No.	Tariff Sec.	Service Description	PRESENT RECURRING REVENUE	PRESENT NON-RECURRING REVENUE	PRESENT REVENUE TOTAL	PROPOSED RECURRING REVENUE	PROPOSED NON-RECURRING REVENUE	PROPOSED REVENUE TOTAL	\$ REVENUE CHANGE	% REVENUE CHANGE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1	A019	WIDE AREA TELE. COMM. SERVICE	\$10,566,686	\$272,720	\$10,839,406	\$10,566,686	\$272,720	\$10,839,406	\$0	0.00%
2	A023	SHARED TENANT SERVICE	\$26,055	\$600	\$26,655	\$835	\$600	\$1,435	(\$25,220)	-94.62%
3	A024	UNIV. EMERG. NUM. SVC.- 911	\$1,934,186	\$1,610	\$1,935,796	\$1,934,186	\$1,610	\$1,935,796	\$0	0.00%
4	A028	PERSONAL SIGNALING SERVICE	\$1,187,472	\$0	\$1,187,472	\$1,187,472	\$0	\$1,187,472	\$0	0.00%
5	A029	DATA TRANSPORT SERVICE	\$2,373,489	\$184,546	\$2,558,035	\$2,373,489	\$184,546	\$2,558,035	\$0	0.00%
6	A030	EQUIP. FOR DISABLED CUSTOMERS	\$41,535	\$62,605	\$104,140	\$41,535	\$62,605	\$104,140	\$0	0.00%
7	A031	MULTI-LOCATION BUSINESS SERVICE	\$105,474	\$16,705	\$122,179	\$105,474	\$16,705	\$122,179	\$0	0.00%
8	A032	A032 INTEGRATION PLUS* MGT SVCS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
9	A035	INTERCON. OF MOBILE SERVICE	\$19,117,817	\$425,153	\$19,542,970	\$19,117,817	\$425,153	\$19,542,970	\$0	0.00%
10	A037	BILLING AND COLLECTION SERVICE	\$197,966	\$6,000	\$203,966	\$197,966	\$6,000	\$203,966	\$0	0.00%
11	A039	A039 ABBREVIATED DIALING	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
12	A103	OBS. BASIC LOCAL EXCHANGE SVC.	\$889	\$0	\$889	\$889	\$0	\$889	\$0	0.00%
13	A105	OBS. CHGS UNDER SPEC COND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
14	A107	OBS. SVC. OFF.-COIN TELE. SVC.	\$6,231	\$0	\$6,231	\$6,231	\$0	\$6,231	\$0	0.00%
15	A108	OBS. TAS FACILITIES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
16	A109	OBS. FOREIGN EXCHANGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
17	A112.1	OBS. CENTREX SERV TO MIL BASE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
18	A112.2	OBS. CENTREX CO SERVICE	\$5,129	\$0	\$5,129	\$5,129	\$0	\$5,129	\$0	0.00%
19	A112.3	OBS. ESSX-1 ATTENDANT SERVICE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
20	A112.4	OBS. AUTO-CALL DIST.-ESS (ACD-ESS)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
21	A112.5	OBS. ETS - SMDR-P	\$7,873	\$340	\$8,213	\$7,873	\$340	\$8,213	\$0	0.00%
22	A112.8	OBS. ESSX-1 SERVICE	\$210,189	\$555	\$210,744	\$210,189	\$555	\$210,744	\$0	0.00%

Major Service Summary of Annual Revenues

Line No.	Tariff Sec.	Service Description	PRESENT RECURRING REVENUE	PRESENT NON-RECURRING REVENUE	PRESENT REVENUE TOTAL	PROPOSED RECURRING REVENUE	PROPOSED NON-RECURRING REVENUE	PROPOSED REVENUE TOTAL	\$ REVENUE CHANGE	% REVENUE CHANGE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1	A112.9	OBS. ELEC. TANDEM SWITCH (ETS)	\$777	\$0	\$777	\$777	\$0	\$777	\$0	0.00%
2	A112.10	OBS. MISC. ESS FEATURES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
3	A112.11	OBS. ESSX S,M,L;CTX;ESSX-1 CUST M	\$6,378	\$6	\$6,384	\$6,378	\$6	\$6,384	\$0	0.00%
4	A112.12	OBS. ESSX S,M,L - 85	\$4,560,395	\$0	\$4,560,395	\$4,560,395	\$0	\$4,560,395	\$0	0.00%
5	A112.13	OBS. DIGITAL ESSX - 85	\$3,589,639	\$0	\$3,589,639	\$3,589,639	\$0	\$3,589,639	\$0	0.00%
6	A112.14	OBS. ETS FEATURES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
7	A112.15	OBS. MISCELLANEOUS SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
8	A112.16	OBS. DIGITAL ESSX SVC 88	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
9	A112.17	OBS. PRESTIGE COMM PACKAGE	\$757,683	\$3,527	\$761,210	\$757,683	\$3,527	\$761,210	\$0	0.00%
10	A112.18	OBS. PRESTIGE SINGLE LINE SERV	\$638,797	\$0	\$638,797	\$638,797	\$0	\$638,797	\$0	0.00%
11	A112.19	OBS. DIG ELEC BUS SET SVC II	\$17,409	\$8,806	\$26,215	\$17,409	\$8,806	\$26,215	\$0	0.00%
12	A112.20	OBS. ESSX SVC VINTAGE 2	\$28,200	\$600	\$28,800	\$28,200	\$600	\$28,800	\$0	0.00%
13	A112.21	OBS. PRESTIGE DELUXE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
14	A112.22	OBS. ESSX SMDR PREM	\$12,013	\$2,500	\$14,513	\$12,013	\$2,500	\$14,513	\$0	0.00%
15	A112.23	OBS. DIG ESSX OPT SVC	\$54,984	\$0	\$54,984	\$54,984	\$0	\$54,984	\$0	0.00%
16	A113	OBS. MISCELLANEOUS SERVICE	\$571,544	\$24,710	\$596,254	\$571,544	\$24,710	\$596,254	\$0	0.00%
17	A114	OBS. AUXILIARY EQUIPMENT	\$5,153	\$0	\$5,153	\$5,153	\$0	\$5,153	\$0	0.00%
18	A115	OBS. TERM. EQUIP. AND SYSTEMS	\$169,564	\$862	\$170,426	\$169,564	\$862	\$170,426	\$0	0.00%
19	A117	OBS. MOBILE TELEPHONE SERVICE	\$99,984	\$0	\$99,984	\$99,984	\$0	\$99,984	\$0	0.00%
20	A118	OBS. MTS	\$2,505	\$0	\$2,505	\$2,505	\$0	\$2,505	\$0	0.00%
21	A124	OBS. EMERG. REPORT SERVICE	\$6,719,763	\$290,268	\$7,010,031	\$6,719,763	\$290,268	\$7,010,031	\$0	0.00%
22	A130	OBS. SER OFF - EQUIP FOR DISAB.	\$27,126	\$0	\$27,126	\$27,126	\$0	\$27,126	\$0	0.00%

Major Service Summary of Annual Revenues

Line No.	Tariff Sec.	Service Description	PRESENT RECURRING REVENUE	PRESENT NON-RECURRING REVENUE	PRESENT REVENUE TOTAL	PROPOSED RECURRING REVENUE	PROPOSED NON-RECURRING REVENUE	PROPOSED REVENUE TOTAL	\$ REVENUE CHANGE	% REVENUE CHANGE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1	B002	REGULATIONS	\$0	\$19,278	\$19,278	\$0	\$19,278	\$19,278	\$0	0.00%
2	B003	RESTRUCTURED PRIVATE LINE	\$31,331,133	\$3,093,971	\$34,425,104	\$31,331,133	\$3,093,971	\$34,425,104	\$0	0.00%
3	B005	CHGS APPL. UNDER SPECIAL COND.	\$3,061,320	\$185,460	\$3,246,780	\$3,061,320	\$185,460	\$3,246,780	\$0	0.00%
4	B007	DIGITAL NETWORK SERVICE	\$40,480,569	\$2,609,201	\$43,089,770	\$40,480,569	\$2,609,201	\$43,089,770	\$0	0.00%
5	B103	OBS. SERVICE OFFERINGS - CHAN	\$5,024,489	\$133,760	\$5,158,249	\$5,024,489	\$133,760	\$5,158,249	\$0	0.00%
6	B104	OBS. SERVICE OFFERINGS - EQUIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
7	B106	OBS. DATAPHONE DIGITAL SERVICE	\$385,501	\$93	\$385,594	\$385,501	\$93	\$385,594	\$0	0.00%
8	E003	CARRIER COMMON LINE ACCESS	\$143,274,253	\$0	\$143,274,253	\$144,403,549	\$0	\$144,403,549	\$1,129,296	0.79%
9	E005	ORDERING OPTIONS	\$0	\$123,667	\$123,667	\$0	\$123,667	\$123,667	\$0	0.00%
10	E006	SWITCHED ACCESS SERVICE	\$123,498,805	\$728,583	\$124,227,388	\$112,378,739	\$728,583	\$113,107,322	(\$11,120,066)	-8.95%
11	E007	SPECIAL ACCESS SERVICE	\$16,576,640	\$1,246,481	\$17,823,121	\$16,576,640	\$1,246,481	\$17,823,121	\$0	0.00%
12	E008	BILLING AND COLLECTIONS SERV.	\$9,535,399	\$0	\$9,535,399	\$9,535,399	\$0	\$9,535,399	\$0	0.00%
13	E009	DIRECTORY ASSISTANCE SERVICES	\$4,788,612	\$0	\$4,788,612	\$4,788,612	\$0	\$4,788,612	\$0	0.00%
14	E013	ADD. ENG./LABOR/MISC CHARGES	\$441,519	\$171,112	\$612,631	\$441,519	\$171,112	\$612,631	\$0	0.00%
15	E018	OPERATOR SERVICES	\$1,120,559	\$0	\$1,120,559	\$1,120,559	\$0	\$1,120,559	\$0	0.00%
16	TOTAL	INTRASTATE TARIFFED	\$2,147,226,582	\$40,004,182	\$2,187,230,764	\$2,072,097,890	\$40,004,182	\$2,112,102,072	(\$75,128,692)	-3.43%
17		INTERSTATE			\$763,182,200			\$763,182,200	\$0	0.00%
18		NON-TARIFFED AND NON-REGULATED			\$290,115,041			\$290,115,041	\$0	0.00%
19	GRAND TOTAL		\$2,147,226,582	\$40,004,182	\$3,240,528,005	\$2,072,097,890	\$40,004,182	\$3,165,399,313	(\$75,128,692)	-2.32%

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

12. Schedule A-5b-- Structural tariff changes and proposed transfers from one tariff subsection to another identified by current tariff subsection, indicating the minimum, maximum, and average dollar and percentage changes that would be reflected on an individual customer's bill as a result of the proposed rate structure change. Also provide a narrative of structural rate changes explaining the reason for the change in structure and the perceived customer and company benefits resulting from the changes.

Company: Southern Bell Telephone and Telegraph
 Docket No.: 920260-TL
 Test Year: 1993

Check Whether Data Is:
 Historic (x) or Projected ()
 Average () or Year End (x)

Line No.	Narrative Description of Structural Change (Identify tariff Subsection)	Anticipated \$/% Changes in Customer Bills			Reason For Change	Customer Benefits from Change	Company Benefits from Change
		*Minimum	**Average	Maximum			
1	An optional Expanded Local Service (ELS) plan is proposed for residential and business customers which combines usage based pricing for the basic (existing) and an expanded/extended local calling area out to forty miles. Seven digit dialing (within each Number Plan Area) out to 40 miles will be available to ELS plan customers. The plan provides different options which customers can select based on their individual calling patterns, provides a low use option to flat rate service for those customers who do not place many outgoing calls and offers discounted rates for those who have a frequent need to call the expanded local calling area.						
6	A3.8.3/Business/Measured	\$3.60/24.57%	\$3.35/19.1%	N/A	See Note 1	See Note 2	See Note 3
7	A3.8.3/Residence/Measured	\$1.50/28.3%	(\$0.83)/-10.88%	N/A	"	"	"
8	A3.8.4/Business/Measured	\$3.60/24.57%	\$4.49/29.29%	N/A	"	"	"
9	A3.8.4/Residence/Measured	\$1.50/28.3%	(\$.55)/-7.48%	N/A	"	"	"
10	A3.8.7/Business/Measured	(\$1.45)/-7.36%	\$2.81/13.85%	\$15.00/45.11%	"	"	"
11	A3.8.7/Residence/Low Use Measured	\$1.10/19.30%	(\$.41)/-5.36%	\$1.55/12.65%	"	"	"
12	A3.8.7/Residence/Measured	(\$.85)/-11.11%	(\$1.19)/-13.42%	\$1.55/12.65%	"	"	"
13	A3.8.8/Business/Measured	\$4.10/28.98%	\$4.59/27.77%	N/A	"	"	"
14	A3.8.8/Business/Measured	\$4.10/28.98%	\$4.15/22.76%	N/A	"	"	"
15	A3.8.8/Residence/Measured	\$1.70/33.33%	(\$.44)/-6.08%	N/A	"	"	"
16	A3.8.8/Residence/Measured	\$1.70/33.33%	(\$.97)/-12.48%	N/A	"	"	"
17	A3.8.11/Business/Measured	(\$2.15)/-11.50%	(\$.72)/-3.61%	\$20.55/79.04%	"	"	"
18	A3.8.11/Residence/Low Use Measured	(\$.75)/-10.87%	(\$.35)/-4.99%	\$3.52/36.55%	"	"	"
19	A3.8.11/Residence/Measured	\$.90/7.14%	(\$1.49)/-19.50%	\$3.52/36.55%	"	"	"
20	A3.8.11/PBX/Measured	(\$8.43)/-23.05%	(\$2.59)/-7.08%	9.45/16.1%	"	"	"
21	A3.8.11/Residence/Unlim. - Unmeas.	(\$5.80)/-63.41%	(\$5.80)/-63.41%	(\$5.80)/-63.41%	"	"	"
22	A3.8.11/Residence/Combination	\$2.35/30.52%	\$2.35/30.52%	\$2.35/30.52%	"	"	"
23	A3.8.11/Business/Unlim. - Unmeas.	(\$15.05)/-64.55%	(\$15.05)/-64.55%	(\$15.05)/-64.55%	"	"	"
24	A3.8.11/Business/Combination	\$6.60/31.73%	\$6.60/31.73%	\$6.60/31.73%	"	"	"
25	A3.8.11/PBX/Unlim. - Unmeas.	(\$33.11)/-65%	(\$33.11)/-65%	(\$33.11)/-65%	"	"	"
26	A3.8.11/PBX/Combination	(\$19.57)/-58.34%	(\$19.57)/-58.34%	(\$19.57)/-58.34%	"	"	"
27	A3.8.12/Business/Measured	(\$7.60)/-36.19%	(\$5.62)/-24.46%	N/A	"	"	"
28	A3.8.12/Residence/Low Use Measured	(\$2.90)/-37.42%	(\$2.80)/-26.24%	(\$3.81)/-27.71%	"	"	"
29	A3.8.12/Residence/Measured	\$.80/11.51%	(\$1.58)/-20.38%	(\$3.81)/-27.71%	"	"	"
30	A3.8.12/PBX/Measured	(\$12.71)/-35.60%	(\$4.41)/-10.02%	N/A	"	"	"

* Minimum assumes no billed usage

**ELS plan includes usage allowance of \$3.00 for residence customers, \$30.00 for business customers, and \$40.00 for PBX trunks

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Schedule A-6b

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Witness Responsible: N. Sims

Check Whether Data Is:
 Historic (x) or Projected ()
 Average () or Year End (x)

Line No.	Narrative Description of Structural Change (Identify tariff Subsection)	Anticipated \$/% Changes in Customer Bills			Reason For Change	Customer Benefits from Change	Company Benefits from Change
		*Minimum	**Average	Maximum			
31	A3.8.12/Residence/Unlim. - Unmeas.	(\$3.40)/-31.93%	(\$3.40)/-31.93%	(\$3.40)/-31.93%	See Note 1	See Note 2	See Note 3
32	A3.8.12/Business/Combination	(\$36.13)/-44.61%	(\$36.13)/-44.61%	(\$36.13)/-44.61%	"	"	"
33	A3.8.14/Business/Measured	(\$2.30)/-12.60%	(\$3.49)/-12.13%	\$15.00/45.11%	"	"	"
34	A3.8.14/Residence/Measured	(\$1.20)/-17.65%	(\$.63)/-5.73%	\$1.55/9.96%	"	"	"
35	A3.8.14/Residence/Low Use Measured	\$.80/13.33%	(\$.81)/-11.30%	1.55/12.65%	"	"	"
36	A3.8.16/Business/Measured	\$3.60/24.57%	\$2.58/13.76%	N/A	"	"	"
37	A3.8.16/Residence/Measured	\$1.50/28.3%	(\$.59)/-8.68%	N/A	"	"	"
38	A3.8.17/Business/Measured	(\$2.60)/-12.38%	\$12.38/62.46%	\$14.62/40.19%	"	"	"
39	A3.8.17/Residence/Measured	(\$.90)/-11.61%	(\$.90)/-11.61%	\$.44/3.31%	"	"	"
40	A3.8.17/Residence/Low Use Measured	\$1.65/27.05%	(\$1.04)/-13.06%	\$.44/3.31%	"	"	"
41	A3.8.17/Residence/Combination	\$1.75/9.7%	\$1.75/9.7%	\$1.75/9.7%	"	"	"
42	A3.8.17/Business/Combination	\$4.80/19.75%	\$4.80/19.75%	\$4.80/19.75%	"	"	"
43	A3.8.17/PBX/Combination	\$27.95/67.15%	\$27.95/67.15%	\$27.95/67.15%	"	"	"
44	A3.8.18/Business/Measured	(\$6.05)/-36.56%	(\$2.33)/-11.43%	\$14.00/40.89%	"	"	"
45	A3.8.18/Residence/Measured	(\$2.05)/-26.45%	(\$3.07)/45.15%	\$1.24/9.87%	"	"	"
46	A3.8.18/Residence/Low Use Measured	\$2.00/34.78%	\$.66/7.29%	\$1.24/9.87%	"	"	"
47	A3.8.18/PBX/Measured	(\$15.83)/-56.23%	\$40.23/91.47%	(\$5.86)/-8.25%	"	"	"
48	A3.8.18/Residence/Unlim. - Unmeas.	(\$.90)/-8.96%	(\$.90)/-8.96%	(\$.90)/-8.96%	"	"	"
49	A3.8.18/Residence/Combination	(\$.25)/-2.55%	(\$.25)/-2.55%	(\$.25)/-2.55%	"	"	"
50	A3.8.18/Business/Unlim. - Unmeas.	(\$2.30)/-6.93%	(\$2.30)/-6.93%	(\$2.30)/-6.93%	"	"	"
51	A3.8.18/Business/Combination	\$.80/3.00%	\$.80/3.00%	\$.80/3.00%	"	"	"
52	A3.8.18/PBX/Unlim. - Unmeas.	(\$4.18)/-6.80%	(\$4.18)/-6.80%	(\$4.18)/-6.80%	"	"	"
53	A3.8.18/PBX/Combination	\$1.76/2.95%	\$1.76/2.95%	\$1.76/2.95%	"	"	"
54	A3.8.23/Business/Measured	\$4.10/28.98%	\$2.45/11.44%	N/A	"	"	"
55	A3.8.23/Residence/Measured	\$1.70/33.33%	\$.14/2.1%	N/A	"	"	"

Note 1: Statewide filing of new local calling plan

Note 2: Customer gains expanded calling area, and calling plans are standard throughout the state, making them less confusing for customers.

Note 3: Increase efficiency by adopting standard statewide plan; alleviate EAS pressure.

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 Company: Southern Bell Telephone and Telegraph
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Schedule A-5b
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 Witness Responsible: N. Sims

Check Whether Data Is:
 Historic (X) or Projected (X)
 Average () or Year End (X)

Line No.	Narrative Description of Structural Change (Identify tariff Subsection)	Anticipated \$/% Changes In Customer Bills			Reason for Change	Customer Benefits from Change	Company Benefits from Change
		Minimum	Average	Maximum			
1 2 3 3 5	The restructure of flat rate PBX trunks and NARs in GSST subsections A3.4.2, A3.6.2, and A3.13.3 is accomplished by disaggregating hunting (Rotary Service) charges from the monthly rates. One-way outgoing trunks and NARs will not require hunting. Additionally, business flat rate hunting rates are reduced to 35% of the 1FB and the price ratio of flat rate business PBX trunks to the 1FB is reduced to 1.7 Monthly flat rates for NARs (with hunting included) are reduced by approximately the same percentage as the monthly flat PBX trunk rate (with hunting included).						
		(RG1)	(Statewide)	(RG12)			
6	Res trunk with hunting	\$0/0%	\$0/0%	\$0/0%	See Note 1	See Note 2	See Note 3
7	Bus trunk with hunting	\$-4.18/-9.3%	\$-5.32/-8.6%	\$-5.57/-8.5%			
8	NAR with hunting	\$-1.92/-9.3%	\$-2.50/-8.7%	\$-2.56/-8.5%			

Note 1: Simpler and more understandable; charges for hunting service only where it is applicable; moves closer to line/trunk parity.

Note 2: Reduced monthly bill; easier for the customer to understand rotary service charges (hunting); customer flexibility to determine appropriate trunk/NAR configuration and to choose most cost effective configuration.

Note 3: Rotary service charges (hunting) are easier to explain; moves toward line/trunk parity.

Check Whether Data Is:
 Historic (x) or Projected (X)
 Average () or Year End (X)

Line No.	Narrative Description of Structural Change (Identify tariff Subsection)	Anticipated \$/% Changes In Customer Bills			Reason for Change	Customer Benefits from Change	Company Benefits from Change
		Minimum	Average	Maximum			
1	The restructure of business message rate service in GSST subsections A3.5.2, A3.6.2 and A3.13.3 is accomplished by adding a separate charge for hunting (Rotary Service) for lines and trunks requiring this feature. One-way outgoing trunks and NARs will not require hunting. The hunting charge is set at 35% of the monthly charge for the message rate service individual business line. Additionally, the monthly charge for "Additional" PBX trunks is increased to equal the charge for "First" trunks. Accordingly, the monthly message allowance for "Additional" trunks is increased from 0 to 75 messages to equal the allowance for business lines and "First" PBX trunks.						
		(RG1)	(Statewide)	(RG12)			
6	Bus: line with hunting	\$5.15/35.0%	\$7.13/35.0%	\$7.59/35.0%	See Note 2	See Note 3	See Note 4
7	Bus. trunk without hunting ¹	\$-1.92/-0.5%	\$6.69/20.6%	\$7.50/22.6%			
8	NAR without hunting ¹	\$-1.92/-29.5%	\$-1.92/-26.9%	\$-1.92/-26.2%			
9	Bus. trunk with hunting ¹	\$3.23/9.1%	\$13.82/42.6%	\$14.63/44.2%			
10	NAR with hunting ¹	\$7.13/141%	\$7.13/100%	\$7.13/97.1%			

Note 1: Trunk and NAR calculations contain an average of "first" and "additional" trunk/NARs.
 Note 2: Consistent application of hunting with flat rate service and residence message rate service. Consistent application of call allowances for PBX trunks/NARs with those of business lines. Rational rate treatment for "additional" trunks when compared with rates for business lines or "first" trunks.
 Note 3: Consistent application of hunting charges with flat rate service, message rate service and Expanded Local Service will make it easier for customer to understand and compare charges for the three services. Consistent rate treatment of monthly PBX trunk charges and message allowances will also help in comparing message rate service with other services.
 Note 4: Charges for trunks and allowances will be easier to explain which will lower customer contact time per order. Additionally, consistent treatment of monthly rates and allowances for trunks will minimize potential ordering/billing errors.

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 Company Southern Bell
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Schedule A-5B
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 Witness Responsible N. Sims

Check Whether Data IS:
 Historic [X] or Projected []
 Average [] or Year End [X]

No.	Narrative Description of Structural Change (Identify tariff Subsection)	Anticipated \$/% Changes In Customer Bills			Reason For Change	Customer Benefits from Change	Company Benefits from Change
		Minimum	Average	Maximum			
1	A4						
2	The restructure of A4 Service Charges				Simplification -Understanding changes -Application of charges Rates more in line with cost -updated cost information -Revenue reduction in connection with incentive regulation	New Charges "make sense" - Easier for customer to understand -Billing less complicated	More Consistent application company- wide. -Easier to explain bill -Simpler to administer
3	incorporates the rate elements Service						
4	Ordering Charge-Primary, Service						
5	Ordering Charge-Secondary, Central						
6	Office Work Charge, New Line Connection						
7	Charge, Telephone Number Change Large,						
8	and Restoration Charge into only three						
9	rate categories. The new categories						
10	are for Line Connection, Line change						
11	and Secondary Service Charge.						
12	Additionally, the Premises Visit						
13	Charge has been incorporated into the						
14	Premises Work charge.						
15							

Supporting Schedules:

Recap Schedules:

Check Whether Data IS:
 Historic or Projected
 Average or Year End

No.	Narrative Description of Structural Change (Identify tariff Subsection)	Anticipated \$/% Changes In Customer Bills			Reason For Change	Customer Benefits from Change	Company Benefits from Change
		Minimum	Average	Maximum			
1	Examples:						
2	- Install 1 line at new location	Res. \$-36.00/-47%	\$-36.00/-47%	\$-36.00/-47%	See Above	See Above	See Above
3		Bus. \$-30.00/-35%	\$-30.00/-35%	\$-30.00/-35%			
4	- Reconnect 1 line	Res. \$- 4.50/-10%	\$-4.50/-10%	\$-4.50/-10%			
5		Bus. \$ 1.50/3%	\$ 1.50/3%	\$ 1.50/3%			
6	- Reconnect 3 lines	Res. \$-19.50/-23%	\$-19.50/23%	\$-19.50/-23%			
7		Bus. \$-13.50/-14%	\$-13.50/-14%	\$-13.50/-14%			
8	- Change (1) Tel No.	Res. \$ 2.50/12%	\$ 2.50/12%	\$ 2.50/12%			
9		Bus. \$ 14.00/50%	\$ 14.00/50%	\$ 14.00/50%			
10	- Restore 1 line	Res. \$ 3.50/17%	\$ 3.50/17%	\$ 3.50/17%			
11		Bus. \$ 14.00/58%	\$ 14.00/58%	\$ 14.00/58%			
12	- Add vertical service (i.e. T-Tone, Call Waiting, etc.)	Res. \$ 1.00/11%	\$ 1.00/11%	\$ 1.00/11%			
13		Bus. \$ 6.50/52%	\$ 6.50/52%	\$ 6.50/52%			
14	- Change Directory Listing	Res. \$ 10.00/Note 1	\$ 10.00/Note 1	\$ 10.00/Note 1			
15		Bus. \$ 19.00/Note 1	\$ 19.00/Note 1	\$ 19.00/Note 1			

Note 1: New Charge. Current tariff does not specify a listing change charge.

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13. Schedule A-6a-- An index of the proposed intrastate rate base and income statement adjustments made for rate case purposes with the rate base effect, operations effect, net operating income effect and revenue requirement effect of each adjustment. Also, show amounts applicable to the interim period, if any, and estimated duration of interim rates.

Index of Intrastate Rate Base and Income Statement Adjustments
For Rate Case Purposes
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1993

Schedule A-6a
Page 1 of 3
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Entry No.	Description	Operations Effect						Total NOI Effect	Increased (decr.) Revenue Requirements	Portion Affecting Interim Period	Method to Define Interim Portion
			Rate Base Effect	Revenues	Expenses	Oper. Taxes	Income Taxes	Total				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1	1	Excess Plug-ins	1,543	0	0	0	0	0	1,543	(2,550)	N/A	N/A
2												
3	2	Yellow Page Profits	0	0	0	0	0	0	0	0	N/A	N/A
4												
5	3	Gains on Sales of Property	0	(73)	0	(1)	(27)	(45)	(45)	74	N/A	N/A
6												
7	4	Income Related to Temporary Cash Investments	0	0	0	0	0	0	0	0	N/A	N/A
8												
9	5	Lobbying Expense	0	0	(459)	0	172	287	287	(475)	N/A	N/A
10												
11	6	Corporate Advertising	0	0	(53)	0	20	33	33	(55)	N/A	N/A
12												
13	7	Abandoned Projects	0	0	537	0	(203)	(334)	(334)	552	N/A	N/A
14												
15	8	Casualty Expense	0	0	(74)	0	28	46	46	(76)	N/A	N/A
16												
17	9	Bellcore Investment and Dividends	(478)	792	0	0	87	705	227	(376)	N/A	N/A
18												
19	10	Interest Reconciliation and AFUDC Debt	0	0	0	0	4,572	(4,572)	(4,572)	7,559	N/A	N/A
20												
21	11	Interest Imputation	0	0	0	0	(1,073)	1,073	1,073	(1,774)	N/A	N/A
22												
23	12	Impact of 1992 Refinancing	0	0	176	0	(67)	(109)	(109)	180	N/A	N/A

Supporting Schedules: A-2a, A-2b, A-2d, A-2e, A-6b, B-1b, B-2b, C-1b

Recap Schedules: C-2b

Index of Intrastate Rate Base and Income Statement Adjustments
For Rate Case Purposes
(000)

FLORIDA PUBLIC SERVICE COMMISSION
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Schedule A-6a
Page 2 of 3
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Operations Effect												
Line No.	Entry No.	Description	Rate Base Effect	Revenues	Expenses	Oper. Taxes	Income Taxes	Total	Total NOI Effect	Increased (decr.) Revenue Requirements	Portion Affecting Interim Period	Method to Define Interim Portion
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
24	13	Impact of 1993 Refinancing	0	0	7,776	0	(2,926)	(4,850)	(4,850)	8,019	N/A	N/A
25												
26	14	WECO Adjustment	(1,869)	0	0	0	0	(1,869)	(1,869)	3,090	N/A	N/A
27												
28	15	Implementation of SFAS 112	691	0	14,880	0	(5,599)	(9,281)	(8,590)	14,202	N/A	N/A
29												
30	16	Hurricane Trueup	(2,736)	0	6,841	0	(2,574)	(4,267)	(7,003)	11,579	N/A	N/A
31												
32	17	Out-of-Period Revenues	0	1,475	0	20	547	908	908	(1,501)	N/A	N/A
33												
34	18	Expiring Amortizations - 1994	(820)	0	(17,650)	0	6,616	11,034	10,214	(16,888)	N/A	N/A
35												
36	19	Attrition	10,261	959	(6,554)	0	3,902	3,611	13,872	(22,935)	N/A	N/A
37												
38	20	Other Regulatory Adjustments	0	0	(2,676)	0	1,007	1,669	1,669	(2,759)	N/A	N/A
39												
40	21	Casualty Damage Reserve Accrual	279	0	6,000	0	(2,258)	(3,742)	(3,463)	5,726	N/A	N/A
41												
42	22	Extraordinary Retirement Expense	1,737	0	0	0	0	1,737	1,737	(2,872)	N/A	N/A
43												
44	23	Dade/Broward County \$.25 Plan	0	(4,719)	5,500	(65)	(3,822)	(6,332)	(6,332)	10,470	N/A	N/A
45												
46	24	Co Proposal - ELS	0	0	937	0	(353)	(584)	(584)	966	N/A	N/A
47												
48	25	Co Proposal - Message Rate Restructure	0	1,361	0	19	505	837	837	(1,384)	N/A	N/A
49												
50												

Supporting Schedules: A-2a, A-2b, A-2d, A-2e, A-6b, B-1b, B-2b, C-1b

Recap Schedules: C-2b

Index of Intrastate Rate Base and Income Statement Adjustments
For Rate Case Purposes
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1993

Schedule A-6a
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Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Operations Effect												
Line No.	Entry No.	Description	Rate Base Effect	Revenues	Expenses	Oper. Taxes	Income Taxes	Total	Total NOI Effect	Increased (decr.) Revenue Requirements	Portion Affecting Interim Period	Method to Define Interim Portion
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
49	26	Co Proposal - Hunting on FX	0	174	0	2	64	107	107	(177)	N/A	N/A
50												
51	27	Co Proposal - Switched Access	0	(4,911)	0	(87)	(1,822)	(3,022)	(3,022)	4,997	N/A	N/A
52												
53	28		0	0	0	0	0	0	0	0	N/A	N/A
54												
55	29		0	0	0	0	0	0	0	0	N/A	N/A
56												
57	30		0	0	0	0	0	0	0	0	N/A	N/A
58												
59	31		0	0	0	0	0	0	0	0	N/A	N/A
60												
61	32		0	0	0	0	0	0	0	0	N/A	N/A
62												
63	33		0	0	0	0	0	0	0	0	N/A	N/A
64												
65	34		0	0	0	0	0	0	0	0	N/A	N/A
66												
67	35		0	0	0	0	0	0	0	0	N/A	N/A
68												
69	36		0	0	0	0	0	0	0	0	N/A	N/A
		Total	8,808	(4,943)	15,181	(92)	(3,204)	(16,828)	(8,220)	13,591	0	0

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

14. Schedule A-6b-- For each adjustment indexed in Schedule A-6a, description and analysis of each proposed rate case adjustment showing the effect on revenues, expenses, taxes and rate base for total company Florida operations, interstate toll operations, total intrastate operations, intrastate toll (InterLATA and IntraLATA) and local operations.

Analysis of Each
Rate Case Adjustment
(000)

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5 Company Southern Bell Telephone & Telegraph Co.
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9 Check Whether Data Is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

14 Line	Effect	(3 + 4)	Interstate	(5 + 8)	(6 + 7)	Intrastate Toll		
15 No.	On	Total	Toll	Total	Intrastate	InterLATA	IntraLATA	Local
16	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
18 1.	Local Revenue	1,505,981	0	1,505,981	0	0	0	1,505,981
19 2.	Interstate	751,578	751,578	0	0	0	0	0
20 3.	InterLATA	314,410	0	314,410	0	0	0	314,410
21 4.	IntraLATA	343,444	0	343,444	0	0	0	343,444
22 5.	Miscellaneous Revenue	318,837	24,760	294,077	0	0	0	294,077
23 6.	Uncollectibles	(42,123)	(2,150)	(39,973)	0	0	0	(39,973)
24 7.	Operating Expenses	2,287,983	530,589	1,757,394	0	0	0	1,757,394
25 8.	Other Taxes	169,996	29,731	140,265	0	0	0	140,265
26 9.	SIT (1)	36,006	10,832	25,174	0	0	0	25,174
27 10.	FIT (2)	158,722	52,782	105,940	0	0	0	105,940
28 11.	Subtotal - Net							
29 12.	Operating Income	539,420	150,254	389,166	0	0	0	389,166
30 13.	Plant-In-Service	9,429,991	2,295,569	7,134,422	0	0	0	7,134,422
31 14.	Depreciation Reserve	3,989,981	973,152	3,016,829	0	0	0	3,016,829
32 15.	Plant Under Construction	45,237	11,014	34,223	0	0	0	34,223
33 16.	Property for Future Use	236	57	179	0	0	0	179
34 17.	Cash Working Capital (3)	(89,955)	(35,432)	(54,523)	0	0	0	(54,523)
35 18.	Materials & Supplies	70,867	18,220	52,647	0	0	0	52,647
36 19.	Total Investment	5,466,395	1,316,276	4,150,119	0	0	0	4,150,119
37 20.	Subtotal - Net							
38 21.	Operating Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	389,166	0	0	0	389,166
40 23.	Total Revenue Requirement	N/A	N/A	N/A	N/A	N/A	N/A	N/A

41 * Total Company column is total regulated.

- 42
43
44 (1) Includes current expense and current deferred.
45 (2) Includes current expense and current deferred, net of ITC.
46 (3) Excludes Materials & Supplies.

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49 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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5 Company Southern Bell Telephone & Telegraph Co.
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9 Check Whether Data Is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

14 Line	Effect	(3 + 4)	Interstate	(5 + 8)	(6 + 7)	Intrastate Toll			
15 No.	On	Total	Toll	Total	Intrastate	InterLATA	IntraLATA	Local	
	(1)	Company *	(3)	(4)	(5)	(6)	(7)	(8)	(9)
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		0	0	0	0	0	0	0
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		0	0	0	0	0	0	0
27 10.	FIT (2)		0	0	0	0	0	0	0
28 11.	Subtotal - Net								
29 12.	Operating Income		0	0	0	0	0	0	0
30 13.	Plant-In-Service	(21,948)	(5,944)	(16,604)	0	0	0	0	(16,604)
31 14.	Depreciation Reserve		0	0	0	0	0	0	0
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment	(21,948)	(5,944)	(16,604)	0	0	0	0	(16,604)
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	1,543	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	1,543	0	0	0	0	0
40 23.	Total Revenue Requirement	N/A	N/A	(2,550)	N/A	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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5 Company Southern Bell Telephone & Telegraph Co.
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9 Check Whether Data Is: Item # 2
10 Historic [] or Projected [X] Description Yellow Page Profits
11 Average [X] or Year End []

14 Line	Effect	(3 + 4) Total Company *	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			
15 No.	On	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)	Local	(8)
16	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)
17									
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	interLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		0	0	0	0	0	0	0
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		0	0	0	0	0	0	0
27 10.	FIT (2)		0	0	0	0	0	0	0
28 11.	Subtotal - Net								
29 12.	Operating Income		0	0	0	0	0	0	0
30 13.	Plant-In-Service		0	0	0	0	0	0	0
31 14.	Depreciation Reserve		0	0	0	0	0	0	0
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment		0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income		N/A	N/A	0	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income		N/A	N/A	0	0	0	0	0
40 23.	Total Revenue Requirement		N/A	N/A	0	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.
43
44 (1) Includes current expense and current deferred.
45 (2) Includes current expense and current deferred, net of ITC.
46 (3) Excludes Materials & Supplies.
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50 Supporting Schedules:

Recap Schedules:

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9 Check Whether Data is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

14 Line	Effect	(3 + 4) Total Company *	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			
15 No.	On	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)	Local	(8)
16	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
18 1.	Local Revenue		(73)	0	(73)	0	0	0	(73)
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		0	0	0	0	0	0	0
25 8.	Other Taxes		(1)	0	(1)	0	0	0	(1)
26 9.	SIT (1)		(4)	0	(4)	0	0	0	(4)
27 10.	FIT (2)		(23)	0	(23)	0	0	0	(23)
28 11.	Subtotal - Net								
29 12.	Operating Income		(45)	0	(45)	0	0	0	(45)
30 13.	Plant-In-Service		0	0	0	0	0	0	0
31 14.	Depreciation Reserve		0	0	0	0	0	0	0
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment		0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income		N/A	N/A	0	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income		N/A	N/A	(45)	0	0	0	(45)
40 23.	Total Revenue Requirement		N/A	N/A	74	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.
43
44 (1) Includes current expense and current deferred.
45 (2) Includes current expense and current deferred, net of ITC.
46 (3) Excludes Materials & Supplies.
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50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Item # 4
Description Income Related to Temporary Cash Investments

14 Line 15 No.	Effect On	(3 + 4) Total Company *	Interstate Toll	(5 + 6) 4		Intrastate Toll			Local (8)
				(5 + 6) Total Intrastate	(6 + 7) Intrastate Toll	InterLATA (6)	IntraLATA (7)		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		0	0	0	0	0	0	0
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		0	0	0	0	0	0	0
27 10.	FIT (2)		0	0	0	0	0	0	0
28 11.	Subtotal - Net								
29 12.	Operating Income		0	0	0	0	0	0	0
30 13.	Plant-In-Service		0	0	0	0	0	0	0
31 14.	Depreciation Reserve		0	0	0	0	0	0	0
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment		0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income		N/A	N/A	0	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income		N/A	N/A	0	0	0	0	0
40 23.	Total Revenue Requirement		N/A	N/A	0	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

Recap Schedules: A-6a

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

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9 Check Whether Data is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

14 Line No.	15 Effect On	(3 + 4) Total Company *	Interstate Toll (3)	Lobbying Expense 5		Intrastate Toll			Local (8)
				(5 + 8) Total Intrastate (4)	(6 + 7) Intrastate Toll (5)	InterLATA (6)	IntraLATA (7)		
18 1.	Local Revenue	0	0	0	0	0	0	0	0
19 2.	Interstate	0	0	0	0	0	0	0	0
20 3.	InterLATA	0	0	0	0	0	0	0	0
21 4.	IntraLATA	0	0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue	0	0	0	0	0	0	0	0
23 6.	Uncollectibles	0	0	0	0	0	0	0	0
24 7.	Operating Expenses	(459)	0	(459)	0	0	0	0	(459)
25 8.	Other Taxes	0	0	0	0	0	0	0	0
26 9.	SIT (1)	25	0	25	0	0	0	0	25
27 10.	FIT (2)	147	0	147	0	0	0	0	147
28 11.	Subtotal - Net								
29 12.	Operating Income	287	0	287	0	0	0	0	287
30 13.	Plant-In-Service	0	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0	0	0	0	0	0	0	0
35 18.	Materials & Supplies	0	0	0	0	0	0	0	0
36 19.	Total Investment	0	0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	287	0	0	0	0	287
40 23.	Total Revenue Requirement	N/A	N/A	(475)	N/A	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.

43
44 (1) Includes current expense and current deferred.

45 (2) Includes current expense and current deferred, net of ITC.

46 (3) Excludes Materials & Supplies.

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50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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8
9 Check Whether Data Is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

14 Line No.	Effect On	(3 + 4) Total Company *	Item # 8 Description Corporate Advertising		(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll		
			Interstate Toll	Intrastate			InterLATA	IntraLATA	Local
15 No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		(53)	0	(53)	0	0	0	(53)
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		3	0	3	0	0	0	3
27 10.	FIT (2)		17	0	17	0	0	0	17
28 11.	Subtotal - Net								
29 12.	Operating Income		33	0	33	0	0	0	33
30 13.	Plant-In-Service		0	0	0	0	0	0	0
31 14.	Depreciation Reserve		0	0	0	0	0	0	0
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment		0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income		N/A	N/A	0	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income		N/A	N/A	33	0	0	0	33
40 23.	Total Revenue Requirement		N/A	N/A	(55)	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.

43
44 (1) Includes current expense and current deferred.

45 (2) Includes current expense and current deferred, net of ITC.

46 (3) Excludes Materials & Supplies.

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49
50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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8
9 Check Whether Data Is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

Item # 7
Description Abandoned Projects

13		(3 + 4)		(5 + 8)	(6 + 7)	Intrastate Toll			
14 Line	Effect	Total	Interstate	Total	Intrastate	InterLATA	IntraLATA	Local	
15 No.	On	Company *	Toll	Intrastate	Toll	(6)	(7)	(8)	
16	(1)	(2)	(3)	(4)	(5)				
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		537	0	537	0	0	0	537
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		(30)	0	(30)	0	0	0	(30)
27 10.	FIT (2)		(173)	0	(173)	0	0	0	(173)
28 11.	Subtotal - Net								
29 12.	Operating Income		(334)	0	(334)	0	0	0	(334)
30 13.	Plant-In-Service		0	0	0	0	0	0	0
31 14.	Depreciation Reserve		0	0	0	0	0	0	0
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment		0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income		N/A	N/A	0	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income		N/A	N/A	(334)	0	0	0	(334)
40 23.	Total Revenue Requirement		N/A	N/A	552	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.

43
44 (1) Includes current expense and current deferred.

45 (2) Includes current expense and current deferred, net of ITC.

46 (3) Excludes Materials & Supplies.

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49 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

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Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Item #
Description
Casualty Expense

Line No.	Effect On	(3 + 4) Total Company *	Interstate Toll	(5 + 6) Total Casualty Expense		Intrastate Toll			Local
				(5) Intrastate	(6 + 7) Intrastate Toll	InterLATA	IntraLATA	(8)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses	(74)	0	0	(74)	0	0	0	(74)
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		4	0	4	0	0	0	4
27 10.	FIT (2)		24	0	24	0	0	0	24
28 11.	Subtotal - Net								
29 12.	Operating Income	46	0	0	46	0	0	0	46
30 13.	Plant-in-Service	0	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0	0	0	0	0	0	0	0
35 18.	Materials & Supplies	0	0	0	0	0	0	0	0
36 19.	Total Investment	0	0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	46	0	0	0	0	46
40 23.	Total Revenue Requirement	N/A	N/A	(76)	N/A	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

Recap Schedules: A-6a

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

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5 Company Southern Bell Telephone & Telegraph Co.
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7 Test Year 1993

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9 Check Whether Data Is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

Item # 9
Description Belcore Investment and Dividends

14 Line	Effect	(3 + 4)	Interstate	(5 + 8)	(6 + 7)	Intrastate Toll			
15 No.	On	Total	Toll	Total	Intrastate	InterLATA	IntraLATA	Local	
16	(1)	Company *	(3)	(4)	(5)	(6)	(7)	(8)	
18 1.	Local Revenue		792	0	792	0	0	0	792
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		0	0	0	0	0	0	0
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		13	0	13	0	0	0	13
27 10.	FIT (2)		74	0	74	0	0	0	74
28 11.	Subtotal - Net								
29 12.	Operating Income		705	0	705	0	0	0	705
30 13.	Plant-In-Service		6,799	1,655	5,144	0	0	0	5,144
31 14.	Depreciation Reserve		0	0	0	0	0	0	0
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment		6,799	1,655	5,144	0	0	0	5,144
37 20.	Subtotal - Net								
38 21.	Operating income		N/A	N/A	(478)	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income		N/A	N/A	227	0	0	0	705
40 23.	Total Revenue Requirement		N/A	N/A	(376)	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.

43
44 (1) Includes current expense and current deferred.

45 (2) Includes current expense and current deferred, net of ITC.

46 (3) Excludes Materials & Supplies.

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50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1998

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Item # 10
Description Interest Reconciliation and AFUDC Debt

Line No.	Effect On	(3 + 4)	Interstate Toll	(5 + 6)	(6 + 7)	Intrastate Toll			Local
		Total Company *		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	(8)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		0	0	0	0	0	0	0
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		668	0	668	0	0	0	668
27 10.	FIT (2)		3,904	0	3,904	0	0	0	3,904
28 11.	Subtotal - Net								
29 12.	Operating Income		(4,572)	0	(4,572)	0	0	0	(4,572)
30 13.	Plant-in-Service		0	0	0	0	0	0	0
31 14.	Depreciation Reserve		0	0	0	0	0	0	0
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment		0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income		N/A	N/A	0	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income		N/A	N/A	(4,572)	0	0	0	(4,572)
40 23.	Total Revenue Requirement		N/A	N/A	7,559	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

Recap Schedules: A-6a

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

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14 Line No.	Effect On	(3 + 4) Total Company *	Interstate Toll	(5 + 6) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			Local
15 No.	(1)	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)	(8)	(9)
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		0	0	0	0	0	0	0
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		(157)	0	(157)	0	0	0	(157)
27 10.	FIT (2)		(916)	0	(916)	0	0	0	(916)
28 11.	Subtotal - Net								
29 12.	Operating Income	1,073		0	1,073	0	0	0	1,073
30 13.	Plant-in-Service	0		0	0	0	0	0	0
31 14.	Depreciation Reserve	0		0	0	0	0	0	0
32 15.	Plant Under Construction	0		0	0	0	0	0	0
33 16.	Property for Future Use	0		0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0		0	0	0	0	0	0
35 18.	Materials & Supplies	0		0	0	0	0	0	0
36 19.	Total Investment	0		0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A		N/A	0	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A		N/A	1,073	0	0	0	1,073
40 23.	Total Revenue Requirement	N/A		N/A	(1,774)	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.
43
44 (1) Includes current expense and current deferred.
45 (2) Includes current expense and current deferred, net of ITC.
46 (3) Excludes Materials & Supplies.
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50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b
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Recap Schedules: A-6a

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Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Item # 12
Description Impact of 1992 Refinancing

Line No.	Effect On	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll			Local
		Total Company *		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	(8)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		176	0	176	0	0	0	176
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		(10)	0	(10)	0	0	0	(10)
27 10.	FIT (2)		(57)	0	(57)	0	0	0	(57)
28 11.	Subtotal - Net								
29 12.	Operating Income		(109)	0	(109)	0	0	0	(109)
30 13.	Plant-in-Service		0	0	0	0	0	0	0
31 14.	Depreciation Reserve		0	0	0	0	0	0	0
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment		0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income		N/A	N/A	0	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income		N/A	N/A	(109)	0	0	0	(109)
40 23.	Total Revenue Requirement		N/A	N/A	180	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

Recap Schedules: A-6a

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

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9 Check Whether Data Is: Item # 13
10 Historic [] or Projected [X] Description Impact of 1993 Refinancing
11 Average [X] or Year End []

13		(3 + 4)		(5 + 8)	(6 + 7)	Intrastate Toll			
14 Line	Effect	Total	Interstate	Total	Intrastate	InterLATA	IntraLATA	Local	
15 No.	On	Company *	Toll	Intrastate	Toll	(6)	(7)	(8)	
16	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses	7,776	0	7,776	0	0	0	0	7,776
25 8.	Other Taxes	0	0	0	0	0	0	0	0
26 9.	SIT (1)	(428)	0	(428)	0	0	0	0	(428)
27 10.	FIT (2)	(2,498)	0	(2,498)	0	0	0	0	(2,498)
28 11.	Subtotal - Net								
29 12.	Operating Income	(4,850)	0	(4,850)	0	0	0	0	(4,850)
30 13.	Plant-In-Service	0	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0	0	0	0	0	0	0	0
35 18.	Materials & Supplies	0	0	0	0	0	0	0	0
36 19.	Total Investment	0	0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	(4,850)	0	0	0	0	(4,850)
40 23.	Total Revenue Requirement	N/A	N/A	8,019	N/A	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.

43
44 (1) Includes current expense and current deferred.

45 (2) Includes current expense and current deferred, net of ITC.

46 (3) Excludes Materials & Supplies.

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50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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7 Test Year 1993

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9 Check Whether Data Is: Item # 14
10 Historic [] or Projected [X]
11 Average [X] or Year End []
12

14 Line	Effect	(3 + 4) Total Company *	Interstate Toll	(5 + 6) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			
15 No.	On	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)	Local (8)	(8)
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		0	0	0	0	0	0	0
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		0	0	0	0	0	0	0
27 10.	FIT (2)		0	0	0	0	0	0	0
28 11.	Subtotal - Net								
29 12.	Operating Income		0	0	0	0	0	0	0
30 13.	Plant-In-Service	46,386	11,663	34,703	0	0	0	0	34,703
31 14.	Depreciation Reserve	19,504	4,918	14,586	0	0	0	0	14,586
32 15.	Plant Under Construction	0	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0	0	0	0	0	0	0	0
35 18.	Materials & Supplies	0	0	0	0	0	0	0	0
36 19.	Total Investment	26,882	6,765	20,117	0	0	0	0	20,117
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	(1,869)	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	(1,869)	0	0	0	0	0
40 23.	Total Revenue Requirement	N/A	N/A	3,090	N/A	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.
43
44 (1) Includes current expense and current deferred.
45 (2) Includes current expense and current deferred, net of ITC.
46 (3) Excludes Materials & Supplies.
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50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
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Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Item # 15
Description Implementation of SFAS 112

14 Line 15 No.	Effect On	(3 + 4)	Interstate Toll	(5 + 6)	(6 + 7)	Intrastate Toll		
		Total Company *		Total Intrastate	Intrastate Toll	InterLATA (6)	IntraLATA (7)	Local (8)
16	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
18 1.	Local Revenue		0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0
24 7.	Operating Expenses	19,054	4,174	14,880	0	0	0	14,880
25 8.	Other Taxes	0	0	0	0	0	0	0
26 9.	SIT (1)	(1,048)	(230)	(818)	0	0	0	(818)
27 10.	FIT (2)	(6,122)	(1,341)	(4,781)	0	0	0	(4,781)
28 11.	Subtotal - Net							
29 12.	Operating Income	(11,884)	(2,603)	(9,281)	0	0	0	(9,281)
30 13.	Plant-In-Service	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	(9,527)	(2,087)	(7,440)	0	0	0	(7,440)
35 18.	Materials & Supplies	0	0	0	0	0	0	0
36 19.	Total Investment	(9,527)	(2,087)	(7,440)	0	0	0	(7,440)
37 20.	Subtotal - Net							
38 21.	Operating Income	N/A	N/A	691	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	(8,590)	0	0	0	(9,281)
40 23.	Total Revenue Requirement	N/A	N/A	14,202	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

Recap Schedules: A-6a

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

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4 FLORIDA PUBLIC SERVICE COMMISSION
5 Company Southern Bell Telephone & Telegraph Co.
6 Docket No. 820260-TL
7 Test Year 1993

9 Check Whether Data Is: Item # 18
10 Historic [] or Projected [X] Description Hurricane Trueup
11 Average [X] or Year End []

14 Line	Effect	(3 + 4)	Interstate	(5 + 8)	(6 + 7)	Intrastate Toll		
15 No.	On	Total	Toll	Total	Intrastate	InterLATA	IntraLATA	Local
16	(1)	Company *	(3)	(4)	(5)	(6)	(7)	(8)
18 1.	Local Revenue		0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0
24 7.	Operating Expenses	6,841	0	6,841	0	0	0	6,841
25 8.	Other Taxes	0	0	0	0	0	0	0
26 9.	SIT (1)	(376)	0	(376)	0	0	0	(376)
27 10.	FIT (2)	(2,198)	0	(2,198)	0	0	0	(2,198)
28 11.	Subtotal - Net							
29 12.	Operating Income	(4,267)	0	(4,267)	0	0	0	(4,267)
30 13.	Plant-In-Service	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	29,451	0	29,451	0	0	0	29,451
35 18.	Materials & Supplies	0	0	0	0	0	0	0
36 19.	Total Investment	29,451	0	29,451	0	0	0	29,451
37 20.	Subtotal - Net							
38 21.	Operating Income	N/A	N/A	(2,736)	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	(7,003)	0	0	0	(4,267)
40 23.	Total Revenue Requirement	N/A	N/A	11,579	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.

43
44 (1) Includes current expense and current deferred.

45 (2) Includes current expense and current deferred, net of ITC.

46 (3) Excludes Materials & Supplies.

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50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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4 FLORIDA PUBLIC SERVICE COMMISSION
5 Company Southern Bell Telephone & Telegraph Co.
6 Docket No. 920260-TL
7 Test Year 1993

8
9 Check Whether Data Is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

13 14 Line	Effect 15 No. On	(3 + 4) Total Company *	Interstate Toll	17 Out-of-Period Revenues		Intrastate Toll			Local (8)
				(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	InterLATA (6)	IntraLATA (7)		
16	(1)	(2)	(9)	(4)	(5)	(6)	(7)	(8)	
18 1.	Local Revenue	0	0	0	0	0	0	0	0
19 2.	Interstate	0	0	0	0	0	0	0	0
20 3.	InterLATA	0	0	0	0	0	0	0	0
21 4.	IntraLATA	1,500	0	1,500	0	0	0	1,500	0
22 5.	Miscellaneous Revenue	0	0	0	0	0	0	0	0
23 6.	Uncollectibles	(25)	0	(25)	0	0	0	0	(25)
24 7.	Operating Expenses	0	0	0	0	0	0	0	0
25 8.	Other Taxes	20	0	20	0	0	0	0	20
26 9.	SIT (1)	80	0	80	0	0	0	0	80
27 10.	FIT (2)	467	0	467	0	0	0	0	467
28 11.	Subtotal - Net								
29 12.	Operating Income	908	0	908	0	0	0	0	908
30 13.	Plant-In-Service	0	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0	0	0	0	0	0	0	0
35 18.	Materials & Supplies	0	0	0	0	0	0	0	0
36 19.	Total Investment	0	0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	908	0	0	0	0	908
40 23.	Total Revenue Requirement	N/A	N/A	(1,501)	N/A	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.

43
44 (1) Includes current expense and current deferred.

45 (2) Includes current expense and current deferred, net of ITC.

46 (3) Excludes Materials & Supplies.

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49 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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Analysis of Each
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FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Check Whether Data is:
Historic [] or Projected [X]
Average [X] or Year End []

Item # 18
Description Expiring Amortizations - 1994

14 Line	Effect	(3 + 4) Total Company *	Interstate Toll	(5 + 6) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			
15 No.	On	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)	Local (8)	(8)
16	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)
18 1.	Local Revenue	0	0	0	0	0	0	0	0
19 2.	Interstate	0	0	0	0	0	0	0	0
20 3.	InterLATA	0	0	0	0	0	0	0	0
21 4.	IntraLATA	0	0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue	0	0	0	0	0	0	0	0
23 6.	Uncollectibles	0	0	0	0	0	0	0	0
24 7.	Operating Expenses	(17,650)	0	(17,650)	0	0	0	0	(17,650)
25 8.	Other Taxes	0	0	0	0	0	0	0	0
26 9.	SIT (1)	443	0	443	0	0	0	0	443
27 10.	FIT (2)	6,173	0	6,173	0	0	0	0	6,173
28 11.	Subtotal - Net								
29 12.	Operating Income	11,034	0	11,034	0	0	0	0	11,034
30 13.	Plant-In-Service	0	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	(8,825)	0	(8,825)	0	0	0	0	(8,825)
32 15.	Plant Under Construction	0	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0	0	0	0	0	0	0	0
35 18.	Materials & Supplies	0	0	0	0	0	0	0	0
36 19.	Total Investment	8,825	0	8,825	0	0	0	0	8,825
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	(820)	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	10,214	0	0	0	0	11,034
40 23.	Total Revenue Requirement	N/A	N/A	(16,886)	N/A	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

Recap Schedules: A-6a

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

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4 FLORIDA PUBLIC SERVICE COMMISSION
5 Company Southern Bell Telephone & Telegraph Co.
6 Docket No. 920250-TL
7 Test Year 1993

8
9 Check Whether Data is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

14 Line	Effect	(3 + 4)	Interstate	(5 + 8)	(6 + 7)	Intrastate Toll			
15 No.	On	Total	Toll	Total	Intrastate	InterLATA	IntraLATA	Local	
16	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
18 1.	Local Revenue	959		0	959	0	0	0	959
19 2.	Interstate	0		0	0	0	0	0	0
20 3.	InterLATA	0		0	0	0	0	0	0
21 4.	IntraLATA	0		0	0	0	0	0	0
22 5.	Miscellaneous Revenue	0		0	0	0	0	0	0
23 6.	Uncollectibles	0		0	0	0	0	0	0
24 7.	Operating Expenses	(6,554)		0	(6,554)	0	0	0	(6,554)
25 8.	Other Taxes	0		0	0	0	0	0	0
26 9.	SIT (1)	570		0	570	0	0	0	570
27 10.	FIT (2)	3,332		0	3,332	0	0	0	3,332
28 11.	Subtotal - Net								
29 12.	Operating Income	3,611		0	3,611	0	0	0	3,611
30 13.	Plant-In-Service	(110,452)		0	(110,452)	0	0	0	(110,452)
31 14.	Depreciation Reserve	0		0	0	0	0	0	0
32 15.	Plant Under Construction	0		0	0	0	0	0	0
33 16.	Property for Future Use	0		0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0		0	0	0	0	0	0
35 18.	Materials & Supplies	0		0	0	0	0	0	0
36 19.	Total Investment	(110,452)		0	(110,452)	0	0	0	(110,452)
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A		N/A	10,261	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A		N/A	13,872	0	0	0	3,611
40 23.	Total Revenue Requirement	N/A		N/A	(22,935)	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.

43
44 (1) Includes current expense and current deferred.

45 (2) Includes current expense and current deferred, net of ITC.

46 (3) Excludes Materials & Supplies.

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49 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Check Whether Data is:
Historic [] or Projected [X]
Average [X] or Year End []

Item # 20
Description Other Regulatory Adjustments

14 Line No.	Effect On	(3 + 4) Total Company *	Interstate Toll	(5 + 6) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			
15 No.	(1)	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)	Local (8)	(9)
18 1.	Local Revenue	0	0	0	0	0	0	0	0
19 2.	Interstate	0	0	0	0	0	0	0	0
20 3.	InterLATA	0	0	0	0	0	0	0	0
21 4.	IntraLATA	0	0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue	0	0	0	0	0	0	0	0
23 6.	Uncollectibles	0	0	0	0	0	0	0	0
24 7.	Operating Expenses	(2,676)	0	(2,676)	0	0	0	0	(2,676)
25 8.	Other Taxes	0	0	0	0	0	0	0	0
26 9.	SIT (1)	147	0	147	0	0	0	0	147
27 10.	FIT (2)	860	0	860	0	0	0	0	860
28 11.	Subtotal - Net								
29 12.	Operating Income	1,669	0	1,669	0	0	0	0	1,669
30 13.	Plant-In-Service	0	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0	0	0	0	0	0	0	0
35 18.	Materials & Supplies	0	0	0	0	0	0	0	0
36 19.	Total Investment	0	0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	1,669	N/A	0	0	0	1,669
40 23.	Total Revenue Requirement	N/A	N/A	(2,759)	N/A	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

Recap Schedules: A-6a

Analysis of Each
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FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
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14 Line No.	Effect On	(3 + 4) Total Company *	Interstate Toll	21 Casualty Damage Reserve Accrual		Intrastate Toll		
				(5 + 6) Total Intrastate	(6 + 7) Intrastate Toll	InterLATA	IntraLATA	Local
15 No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
18 1.	Local Revenue	0	0	0	0	0	0	0
19 2.	Interstate	0	0	0	0	0	0	0
20 3.	InterLATA	0	0	0	0	0	0	0
21 4.	IntraLATA	0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue	0	0	0	0	0	0	0
23 6.	Uncollectibles	0	0	0	0	0	0	0
24 7.	Operating Expenses	6,000	0	6,000	0	0	0	6,000
25 8.	Other Taxes	0	0	0	0	0	0	0
26 9.	SIT (1)	(330)	0	(330)	0	0	0	(330)
27 10.	FIT (2)	(1,928)	0	(1,928)	0	0	0	(1,928)
28 11.	Subtotal - Net							
29 12.	Operating Income	(3,742)	0	(3,742)	0	0	0	(3,742)
30 13.	Plant-In-Service	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	(3,000)	0	(3,000)	0	0	0	(3,000)
35 18.	Materials & Supplies	0	0	0	0	0	0	0
36 19.	Total Investment	(3,000)	0	(3,000)	0	0	0	(3,000)
37 20.	Subtotal - Net							
38 21.	Operating Income	N/A	N/A	279	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	(3,463)	0	0	0	(3,742)
40 23.	Total Revenue Requirement	N/A	N/A	5,728	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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4 FLORIDA PUBLIC SERVICE COMMISSION
5 Company Southern Bell Telephone & Telegraph Co.
6 Docket No. 920260-TL
7 Test Year 1993

8
9 Check Whether Data Is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []
12

14 Line	Effect On	(3 + 4) Total Company *	Interstate Toll	22 Extraordinary Retirement Expense		Intrastate Toll			
				(5 + 6) Total Intrastate	(6 + 7) Intrastate Toll	InterLATA (6)	IntraLATA (7)	Local (8)	
15 No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses		0	0	0	0	0	0	0
25 8.	Other Taxes		0	0	0	0	0	0	0
26 9.	SIT (1)		0	0	0	0	0	0	0
27 10.	FIT (2)		0	0	0	0	0	0	0
28 11.	Subtotal - Net								
29 12.	Operating Income		0	0	0	0	0	0	0
30 13.	Plant-In-Service		0	0	0	0	0	0	0
31 14.	Depreciation Reserve	18,698	0	18,698	0	0	0	0	18,698
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment	(18,698)	0	(18,698)	0	0	0	0	(18,698)
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	1,737	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	1,737	0	0	0	0	0
40 23.	Total Revenue Requirement	N/A	N/A	(2,872)	N/A	N/A	N/A	N/A	N/A

41
42 * Total Company column is total regulated.

43
44 (1) Includes current expense and current deferred.

45 (2) Includes current expense and current deferred, net of (TC).

46 (3) Excludes Materials & Supplies.
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50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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Analysis of Each
Rate Case Adjustment
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14 Line	Effect	(3 + 4) Total Company *	Interstate Toll	(5 + 6) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			
15 No.	On	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)	Local (8)	(8)
16	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)
18 1.	Local Revenue	0	0	0	0	0	0	0	0
19 2.	Interstate	0	0	0	0	0	0	0	0
20 3.	InterLATA	0	0	0	0	0	0	0	0
21 4.	IntraLATA	(4,800)	0	(4,800)	0	0	0	0	(4,800)
22 5.	Miscellaneous Revenue	0	0	0	0	0	0	0	0
23 6.	Uncollectibles	81	0	81	0	0	0	0	81
24 7.	Operating Expenses	5,500	0	5,500	0	0	0	0	5,500
25 8.	Other Taxes	(65)	0	(65)	0	0	0	0	(65)
26 9.	SIT (1)	(559)	0	(559)	0	0	0	0	(559)
27 10.	FIT (2)	(3,263)	0	(3,263)	0	0	0	0	(3,263)
28 11.	Subtotal - Net								
29 12.	Operating Income	(6,332)	0	(6,332)	0	0	0	0	(6,332)
30 13.	Plant-In-Service	0	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0	0	0	0	0	0	0	0
35 18.	Materials & Supplies	0	0	0	0	0	0	0	0
36 19.	Total Investment	0	0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	(6,332)	0	0	0	0	(6,332)
40 23.	Total Revenue Requirement	N/A	N/A	10,470	N/A	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

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Analysis of Each
Rate Case Adjustment
(000)

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FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

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Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Item # 24
Description Co Proposal - ELS

14 Line	Effect	(9 + 4) Total Company *	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			Local
15 No.	On	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)		(8)
16	(1)								
18 1.	Local Revenue		0	0	0	0	0	0	0
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		0	0	0	0	0	0	0
24 7.	Operating Expenses	937	0	937	0	0	0	0	937
25 8.	Other Taxes	0	0	0	0	0	0	0	0
26 9.	SIT (1)	(52)	0	(52)	0	0	0	0	(52)
27 10.	FIT (2)	(301)	0	(301)	0	0	0	0	(301)
28 11.	Subtotal - Net								
29 12.	Operating Income	(584)	0	(584)	0	0	0	0	(584)
30 13.	Plant-In-Service	0	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0	0	0	0	0	0	0	0
35 18.	Materials & Supplies	0	0	0	0	0	0	0	0
36 19.	Total Investment	0	0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	(584)	0	0	0	0	(584)
40 23.	Total Revenue Requirement	N/A	N/A	966	N/A	N/A	N/A	N/A	N/A

* Total Company column is total regulated.
(1) Includes current expense and current deferred.
(2) Includes current expense and current deferred, net of ITC.
(3) Excludes Materials & Supplies.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

Schedule A-5b
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Witness Responsible W. S. Reid

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920200-TL
Test Year 1993

9 Check Whether Data Is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

Item # 25
Description Co Proposal - Message Rate Restructure

14 Line	Effect	(3 + 4) Total Company *	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			
15 No.	On	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)	Local (8)	(8)
16	(1)								
18 1.	Local Revenue	1,384		0	1,384	0	0	0	1,384
19 2.	Interstate	0		0	0	0	0	0	0
20 3.	InterLATA	0		0	0	0	0	0	0
21 4.	IntraLATA	0		0	0	0	0	0	0
22 5.	Miscellaneous Revenue	0		0	0	0	0	0	0
23 6.	Uncollectibles	(23)		0	(23)	0	0	0	(23)
24 7.	Operating Expenses	0		0	0	0	0	0	0
25 8.	Other Taxes	19		0	19	0	0	0	19
26 9.	SIT (1)	74		0	74	0	0	0	74
27 10.	FIT (2)	431		0	431	0	0	0	431
28 11.	Subtotal - Net								
29 12.	Operating Income	837		0	837	0	0	0	837
30 13.	Plant-In-Service	0		0	0	0	0	0	0
31 14.	Depreciation Reserve	0		0	0	0	0	0	0
32 15.	Plant Under Construction	0		0	0	0	0	0	0
33 16.	Property for Future Use	0		0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0		0	0	0	0	0	0
35 18.	Materials & Supplies	0		0	0	0	0	0	0
36 19.	Total Investment	0		0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A		N/A	0	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A		N/A	837	0	0	0	837
40 23.	Total Revenue Requirement	N/A		N/A	(1,384)	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

50 Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

Schedule A-6b
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Witness Responsible W. S. Reid

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
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14 Line No.	Effect On	(3 + 4) Total Company *	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			
16	(1)	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)	Local (8)	(8)
18 1.	Local Revenue		177	0	177	0	0	0	177
19 2.	Interstate		0	0	0	0	0	0	0
20 3.	InterLATA		0	0	0	0	0	0	0
21 4.	IntraLATA		0	0	0	0	0	0	0
22 5.	Miscellaneous Revenue		0	0	0	0	0	0	0
23 6.	Uncollectibles		(3)	0	(3)	0	0	0	(3)
24 7.	Operating Expenses		0	0	0	0	0	0	0
25 8.	Other Taxes		2	0	2	0	0	0	2
26 9.	SIT (1)		9	0	9	0	0	0	9
27 10.	FIT (2)		55	0	55	0	0	0	55
28 11.	Subtotal - Net								
29 12.	Operating Income		107	0	107	0	0	0	107
30 13.	Plant-In-Service		0	0	0	0	0	0	0
31 14.	Depreciation Reserve		0	0	0	0	0	0	0
32 15.	Plant Under Construction		0	0	0	0	0	0	0
33 16.	Property for Future Use		0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)		0	0	0	0	0	0	0
35 18.	Materials & Supplies		0	0	0	0	0	0	0
36 19.	Total Investment		0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income		N/A	N/A	0	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income		N/A	N/A	107	0	0	0	107
40 23.	Total Revenue Requirement		N/A	N/A	(177)	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

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Witness Responsible W. S. Reid

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

9 Check Whether Data Is:
10 Historic [] or Projected [X]
11 Average [X] or Year End []

Item # 27
Description Co Proposal - Switched Access

14 Line	Effect	(3 + 4) Total Company *	Interstate Toll	(5 + 6) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			Local
15 No.	On	(2)	(3)	(4)	(5)	InterLATA (6)	IntraLATA (7)	(8)	(8)
16	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)
18 1.	Local Revenue	0	0	0	0	0	0	0	0
19 2.	Interstate	0	0	0	0	0	0	0	0
20 3.	InterLATA	0	0	0	0	0	0	0	0
21 4.	IntraLATA	(4,995)	0	(4,995)	0	0	0	0	(4,995)
22 5.	Miscellaneous Revenue	0	0	0	0	0	0	0	0
23 6.	Uncollectibles	84	0	84	0	0	0	0	84
24 7.	Operating Expenses	0	0	0	0	0	0	0	0
25 8.	Other Taxes	(67)	0	(67)	0	0	0	0	(67)
26 9.	SIT (1)	(266)	0	(266)	0	0	0	0	(266)
27 10.	FIT (2)	(1,556)	0	(1,556)	0	0	0	0	(1,556)
28 11.	Subtotal - Net								
29 12.	Operating Income	(3,022)	0	(3,022)	0	0	0	0	(3,022)
30 13.	Plant-In-Service	0	0	0	0	0	0	0	0
31 14.	Depreciation Reserve	0	0	0	0	0	0	0	0
32 15.	Plant Under Construction	0	0	0	0	0	0	0	0
33 16.	Property for Future Use	0	0	0	0	0	0	0	0
34 17.	Cash Working Capital (3)	0	0	0	0	0	0	0	0
35 18.	Materials & Supplies	0	0	0	0	0	0	0	0
36 19.	Total Investment	0	0	0	0	0	0	0	0
37 20.	Subtotal - Net								
38 21.	Operating Income	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A
39 22.	Total Net Operating Income	N/A	N/A	(3,022)	0	0	0	0	(3,022)
40 23.	Total Revenue Requirement	N/A	N/A	4,997	N/A	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Includes current expense and current deferred.

(2) Includes current expense and current deferred, net of ITC.

(3) Excludes Materials & Supplies.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

(B) RATE BASE

1. Schedule B-1a-- Summary of rate base, per books, calculated on a 12-month average basis for the test period and divided into the following classifications: total company Florida operations, interstate toll operations, total intrastate operations, intrastate toll (InterLATA and IntraLATA), and local operations. As used in this paragraph, the term "12-month average" means the average of the twelve monthly average balances for the test period indicated.

Rate Base Summary
Per Books
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Schedule B-1a
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Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Rate Base Component (1)	(3 + 4) Total Company (2)	Interstate Toll (3)	(5 + 6) Total Intrastate (4)	(6 + 7) Intrastate Toll (5)	Intrastate Toll			Local (8)
						InterLATA (6)	IntraLATA (7)		
1.	Plant in Service	9,429,991	2,295,569	7,134,422	0	0	0	7,134,422	
2.	Less Reserve for								
3.	Accumulated								
4.	Depreciation	3,989,981	973,152	3,016,829	0	0	0	3,016,829	
5.	Net Plant in Service	5,440,010	1,322,417	4,117,593	0	0	0	4,117,593	
6.	Plus Short-Term Plant								
7.	Under Construction on								
8.	which no Interest Was								
9.	Charged	45,237	11,014	34,223	0	0	0	34,223	
10.	Plus Property Held for								
11.	Future Telephone Use	236	57	179	0	0	0	179	
12.	Plus Working Capital								
13.	Allowance	(19,088)	(17,212)	(1,876)	0	0	0	(1,876)	
14.	Other Items		0		0			0	
15.	Rate Base	5,466,395	1,316,276	4,150,119	0	0	0	4,150,119	

Supporting Schedules:

Recap Schedules:

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

2. Schedule B-1b-- Same as B-1a but on an adjusted, rather than per book, basis.

Rate Base Summary
Adjusted
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket 920260-TL
Test Year 1993

Schedule B-1b
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Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Rate Base Component (1)	(3 + 4) Total Company (2)	Interstate Toll (3)	(5 + 8) Total Intrastate (4)	(6 + 7) Intrastate Toll (5)	Intrastate Toll		Local (8)
						InterLATA (6)	IntraLATA (7)	
1.	Plant in Service	9,350,776	2,303,563	7,047,213	0	0	0	7,047,213
2.	Less Reserve for							
3.	Accumulated							
4.	Depreciation	4,019,358	978,070	3,041,288	0	0	0	3,041,288
5.	Net Plant in Service	5,331,418	1,325,493	4,005,925	0	0	0	4,005,925
6.	Plus Short-Term Plant							
7.	Under Construction on							
8.	which no Interest Was							
9.	Charged	45,237	11,014	34,223	0	0	0	34,223
10.	Plus Property Held for							
11.	Future Telephone Use	236	57	179	0	0	0	179
12.	Plus Working Capital							
13.	Allowance	(2,164)	(19,299)	17,135	0	0	0	17,135
14.	Other Items	0	0	0	0	0	0	0
15.	Rate Base	5,374,727	1,317,265	4,057,462	0	0	0	4,057,462

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

3. Schedule B-2a-- A summary of the effect of proposed rate case adjustments to total company rate base reconciling booked and adjusted amounts.

**Summary of Adjustments to Rate Base
(Total Company)
(000)**

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1999

Schedule B-2a
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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1		Unadjusted	9,429,991	3,989,981	45,237	236	70,867	(89,955)	5,466,395	N/A
2										
3	1	Excess Plug-ins	(21,948)	0	0	0	0	0	(21,948)	N/A
4										
5	2	Yellow Page Profits	0	0	0	0	0	0	0	N/A
6										
7	3	Gains on Sales of Property	0	0	0	0	0	0	0	N/A
8										
9	4	Income Related to Temporary Cash	0	0	0	0	0	0	0	N/A
10										
11	5	Lobbying Expense	0	0	0	0	0	0	0	N/A
12										
13	6	Corporate Advertising	0	0	0	0	0	0	0	N/A
14										
15	7	Abandoned Projects	0	0	0	0	0	0	0	N/A
16										
17	8	Casualty Expense	0	0	0	0	0	0	0	N/A
18										
19	9	Bellicore Investment and Dividends	6,799	0	0	0	0	0	6,799	N/A
20										
21	10	Interest Reconciliation and AFUDC	0	0	0	0	0	0	0	N/A
22										
23	11	Interest Imputation	0	0	0	0	0	0	0	N/A
24										
25	12	Impact of 1992 Refinancing	0	0	0	0	0	0	0	N/A

**Summary of Adjustments to Rate Base
(Total Company)
(000)**

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1993

Schedule B-2a
Page 2 of 3
Witness Responsible W. S. Reid

Check Whether Data is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
26	13	Impact of 1993 Refinancing	0	0	0	0	0	0	0	N/A
27										
28	14	WECO Adjustment	46,386	19,504	0	0	0	0	26,882	N/A
29										
30	15	Implementation of SFAS 112	0	0	0	0	0	(9,527)	(9,527)	N/A
31										
32	16	Hurricane Trueup	0	0	0	0	0	29,451	29,451	N/A
33										
34	17	Out-of-Period Revenues	0	0	0	0	0	0	0	N/A
35										
36	18	Expiring Amortizations - 1994	0	(8,825)	0	0	0	0	8,825	N/A
37										
38	19	Attrition	(110,452)	0	0	0	0	0	(110,452)	N/A
39										
40	20	Other Regulatory Adjustments	0	0	0	0	0	0	0	N/A
41										
42	21	Casualty Damage Reserve Accrual	0	0	0	0	0	(3,000)	(3,000)	N/A
43										
44	22	Extraordinary Retirement Expense	0	18,698	0	0	0	0	(18,698)	N/A
45										
46	23	Dade/Broward County \$.25 Plan	0	0	0	0	0	0	0	N/A
47										
48	24	Co Proposal - ELS	0	0	0	0	0	0	0	N/A
49										
50	25	Co Proposal - Message Rate Restr	0	0	0	0	0	0	0	N/A
51										
52										

**Summary of Adjustments to Rate Base
(Total Company)
(000)**

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 820260-TL
Test Year 1993

Schedule B-2a
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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
51	26	Co Proposal - Hunting on FX	0	0	0	0	0	0	0	N/A	
52											
53	27	Co Proposal - Switched Access	0	0	0	0	0	0	0	N/A	
54											
55	28		0	0	0	0	0	0	0	N/A	
56											
57	29		0	0	0	0	0	0	0	N/A	
58											
59	30		0	0	0	0	0	0	0	N/A	
60											
61	31		0	0	0	0	0	0	0	N/A	
62											
63	32		0	0	0	0	0	0	0	N/A	
64											
65	33		0	0	0	0	0	0	0	N/A	
66											
67	34		0	0	0	0	0	0	0	N/A	
68											
69	35		0	0	0	0	0	0	0	N/A	
70											
71	36		0	0	0	0	0	0	0	N/A	
		Adjusted Results	9,350,776	4,019,958	45,237	236	70,867	(73,031)	5,974,727	0	0

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

4. Schedule B-2b-- A summary of the effect of proposed rate case adjustments to intrastate rate base reconciling booked and adjusted amounts.

Summary of Adjustments to Rate Base
(Intrastate)
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1993

Schedule B-2b
Page 1 of 3
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1		Unadjusted	7,134,422	3,016,829	34,223	179	52,647	(54,525)	4,150,119	3,016,829
2										
3	1	Excess Plug-ins	(16,604)	0	0	0	0	0	(16,604)	1,543
4										
5	2	Yellow Page Profits	0	0	0	0	0	0	0	0
6										
7	3	Gains on Sales of Property	0	0	0	0	0	0	0	0
8										
9	4	Income Related to Temporary Cash Inve	0	0	0	0	0	0	0	0
10										
11	5	Lobbying Expense	0	0	0	0	0	0	0	0
12										
13	6	Corporate Advertising	0	0	0	0	0	0	0	0
14										
15	7	Abandoned Projects	0	0	0	0	0	0	0	0
16										
17	8	Casualty Expense	0	0	0	0	0	0	0	0
18										
19	9	Belicore Investment and Dividends	5,144	0	0	0	0	0	5,144	(478)
20										
21	10	Interest Reconciliation and AFUDC Debt	0	0	0	0	0	0	0	0
22										
23	11	Interest Imputation	0	0	0	0	0	0	0	0
24										
25	12	Impact of 1992 Refinancing	0	0	0	0	0	0	0	0

Summary of Adjustments to Rate Base
(Intrastate)
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1993

Schedule B-2b
Page 2 of 3
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Entry No.	Description	Plant In Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
26	13	Impact of 1993 Refinancing	0	0	0	0	0	0	0	0
27										
28	14	WECO Adjustment	34,703	14,586	0	0	0	0	20,117	(1,869)
29										
30	15	Implementation of SFAS 112	0	0	0	0	0	(7,440)	(7,440)	691
31										
32	16	Hurricane Trueup	0	0	0	0	0	29,451	29,451	(2,736)
33										
34	17	Out-of-Period Revenues	0	0	0	0	0	0	0	0
35										
36	18	Expiring Amortizations - 1994	0	(8,825)	0	0	0	0	8,825	(820)
37										
38	19	Attrition	(110,452)	0	0	0	0	0	(110,452)	10,261
39										
40	20	Other Regulatory Adjustments	0	0	0	0	0	0	0	0
41										
42	21	Casualty Damage Reserve Accrual	0	0	0	0	0	(3,000)	(3,000)	279
43										
44	22	Extraordinary Retirement Expense	0	18,698	0	0	0	0	(18,698)	1,737
45										
46	23	Dade/Broward County \$.25 Plan	0	0	0	0	0	0	0	0
47										
48	24	Co Proposal - ELS	0	0	0	0	0	0	0	0
49										
50	25	Co Proposal - Message Rate Restructu	0	0	0	0	0	0	0	0
51										
52										

Summary of Adjustments to Rate Base
(Intrastate)
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
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Test Year 1993

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Check Whether Data is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
51	26	Co Proposal - Hunting on FX	0	0	0	0	0	0	0	0
52										
53	27	Co Proposal - Switched Access	0	0	0	0	0	0	0	0
54										
55	28		0	0	0	0	0	0	0	0
56										
57	29		0	0	0	0	0	0	0	0
58										
59	30		0	0	0	0	0	0	0	0
60										
61	31		0	0	0	0	0	0	0	0
62										
63	32		0	0	0	0	0	0	0	0
64										
65	33		0	0	0	0	0	0	0	0
66										
67	34		0	0	0	0	0	0	0	0
68										
69	35		0	0	0	0	0	0	0	0
70										
71	36		0	0	0	0	0	0	0	0
		Adjusted Results	7,047,213	3,041,288	34,223	179	52,647	(35,512)	4,057,462	3,025,437

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

5. Schedule B-3a-- Comparative balance sheets on a 12-month average basis (total company) for the test year and the prior year using the accounts designated in Schedule 10 of Form M of the annual report filed with the F.C.C./F.P.S.C.

Comparative Balance Sheets
for the Test Period
and Prior Year
(Company)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1993

Schedule B-3a
Page 1 of 4
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Description	1992	1993	Difference (3-2)	% Change
	(1)	(2)	(3)	(4)	
1	CURRENT ASSETS				
2	1130 Cash	102,594,266	95,883,925	(6,710,341)	-7%
3	1140 Special Cash Deposits	639,075	662,987	23,913	4%
4	1150 Working Cash Advance	3,328,803	3,516,369	187,566	6%
5	1160 Temporary Investments	33,095,790	0	(33,095,790)	-100%
6	1180 Telecomm. Accounts Receivable	1,755,615,189	1,822,452,059	66,836,870	4%
7	1181 Telecomm. Accounts Rec. Allowance	(84,881,244)	(83,893,211)	988,033	1%
8	1190 Other Accounts Receivable	144,243,074	146,544,923	2,301,850	2%
9	1191 Accounts Receivable Allowance-Other	0	0	0	0%
10	1200 Notes Receivable	401,664	112,925	(288,739)	-72%
11	1201 Notes Receivable Allowance	0	0	0	0%
12	1210 Interest and Dividends Receivable	445,355	608,895	163,539	37%
13	1220 Material and Supplies	269,927,171	297,286,005	27,358,833	10%
14	1290 Prepaid Rents	1,576,007	1,434,125	(141,882)	-9%
15	1300 Prepaid Taxes	21,814,382	25,001,895	3,187,513	15%
16	1310 Prepaid Insurance	8,030,135	7,234,756	(795,379)	-10%
17	1320 Prepaid Directory Expenses	0	0	0	0%
18	1330 Other Prepayments	4,932,112	8,249,553	3,317,441	67%
19	1350 Other Current Assets	2,249,765	130,827	(2,118,938)	-94%
20	TOTAL CURRENT ASSETS	2,264,011,544	2,325,226,032	61,214,488	3%
21					
22	NONCURRENT ASSETS				
23	1401 Investments in Affiliated Co. *	28,566,388	28,537,559	(28,828)	0%
24	1402 Inv. in Nonaffiliated Co.	2,163,888	2,305,831	141,943	7%
25	1406 Nonregulated Investments	0	0	0	0%
26	1407 Unamortized Debt Issuance Expense	191,158,424	168,013,191	(23,145,233)	-12%
27	1408 Sinking Funds	0	0	0	0%
28	1410 Other Noncurrent Assets	3,823,155	3,681,998	(141,157)	-4%
29	1438 Deferred Maint. & Retire.	3,496,494	44,561,328	41,064,834	1174%
30	1439 Deferred Charges	340,030,456	489,323,896	149,293,440	44%
31	1500 Other Jurisdictional Assets - Net	0	0	0	0%
32	TOTAL NONCURRENT ASSETS	569,238,804	736,423,803	167,184,999	29%
33					

* Account 1401 has been adjusted to remove \$131,978,717 in 1992, for investment in BBS. The 1993 telephone operations budget already excludes the impact of BBS.

Supporting Schedules:

Recap Schedules: B-3b, B-6c

Comparative Balance Sheets
for the Test Period
and Prior Year
(Company)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1993

Schedule B-3a
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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Description	1992	1993	Difference (3-2)	% Change
	(1)	(2)	(3)	(4)	
34	TELEPHONE PLANT IN SERVICE				
35	2001 Telecomm. Plant in Service	37,362,406,428	38,562,834,138	1,200,427,710	3%
36	2002 Property Held for Future Use	1,020,348	69,500	(950,848)	-93%
37	2003 Plant under Construction - Short Term	205,521,067	231,858,608	26,337,541	13%
38	2004 Plant under Construction - Long Term	95,754,231	137,720,822	41,966,590	44%
39	2005 Plant Adjustment	4,672,119	4,493,668	(178,451)	-4%
40	2006 Nonoperating Plant	37,525,472	43,942,041	6,416,569	17%
41	2007 Goodwill	2,038,183	1,788,488	(249,695)	-12%
42	SUBTOTAL	37,708,937,848	38,982,707,265	1,273,769,416	3%
43	LESS:				
44	3100 Acc. Depreciation	(14,581,489,328)	(15,788,891,434)	(1,207,402,106)	-8%
45	3200 Acc. Depreciation - Held for Future Use	(128,393)	(129,905)	(1,512)	-1%
46	3300 Acc. Depreciation - Nonoperating	(11,975,400)	(12,723,119)	(747,719)	-6%
47	3410 Acc. Amort. - Capitalized Leases	(27,845,611)	(87,423,923)	(59,578,312)	-214%
48	3420 Acc. Amort. - Leasehold Improvements	(39,413,373)	0	39,413,373	100%
49	3500 Acc. Amort. Intangible	0	0	0	0%
50	3600 Acc. Amort. - Other	0	0	0	0%
51	SUBTOTAL	(14,660,852,106)	(15,889,168,381)	(1,228,316,275)	-8%
52	NET TELEPHONE PLANT IN SERVICE	23,048,085,743	23,093,538,884	45,453,141	0%
53					
54	TOTAL ASSETS	25,881,336,091	26,155,188,719	273,852,628	1%

Supporting Schedules:

Recap Schedules:

Comparative Balance Sheets
for the Test Period
and Prior Year
(Company)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Description	1992	1993	Difference (3-2)	% Change
	(1)	(2)	(3)	(4)	
55	CURRENT LIABILITIES				
56	4010 Accounts Payable	917,283,429	944,648,325	27,364,896	3%
57	4020 Notes Payable	643,710,706	1,038,924,659	395,213,953	61%
58	4030 Advanced Billing and Payments	287,456,591	299,851,885	12,395,294	4%
59	4040 Customers' Deposits	120,611,092	132,446,282	11,835,190	10%
60	4050 Current Maturities - Long Term	1,104	1,115	11	1%
61	4060 Current Maturities - Capital Leases	11,891,271	12,889,027	997,755	8%
62	4070 Income Taxes - Accrued	145,015,759	33,293,417	(111,722,342)	-77%
63	4080 Other Taxes - Accrued	230,015,743	240,143,209	10,127,466	4%
64	4100 Net Current Deferred Op. Inc. Taxes	(17,938,440)	(16,966,468)	971,972	5%
65	4110 Net Current Def. Nonop. Inc. Taxes	543,898	490,667	(53,231)	-10%
66	4120 Other Accrued Liabilities	863,522,406	918,023,878	54,501,472	6%
67	4130 Other Long-Term Debt	46,656,634	51,072,240	4,415,606	9%
68	TOTAL CURRENT LIABILITIES	3,248,770,193	3,654,818,236	406,048,043	12%
69					
70	LONG-TERM DEBT				
71	4210 Funded Debt	6,397,083,333	6,322,942,390	(74,140,944)	-1%
72	4220 Premium on Long-Term Debt	1,965,257	1,742,821	(222,436)	-11%
73	4230 Discount on Long-Term Debt	(52,824,941)	(53,218,844)	(393,903)	-1%
74	4240 Reacquired Debt	0	0	0	0%
75	4250 Obligations under Capital Leases	32,856,284	30,518,377	(2,337,907)	-7%
76	4260 Advanced from Affiliated Companies	0	0	0	0%
77	4270 Other Long-Term Debt	1,513,880	1,306,699	(207,181)	-14%
78	TOTAL LONG-TERM DEBT	6,380,593,813	6,303,291,442	(77,302,371)	-1%
79					

Supporting Schedules:

Recap Schedules:

Comparative Balance Sheets
for the Test Period
and Prior Year
(Company)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
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Test Year 1993

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Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Description	1992	1993	Difference (3-2)	% Change
	(1)	(2)	(3)	(4)	
80	OTHER LIABILITIES AND DEFERRED CREDITS				
81	4310 Other Long-Term Liabilities	434,257,783	572,502,062	138,244,279	32%
82	4320 Unamortized Operating ITC - Net	647,295,981	572,921,569	(74,374,411)	-11%
83	4330 Unamortized Nonoperating ITC - Net	0	0	0	0%
84	4340 Net Noncur. Def. Oper. Income Taxes	3,748,170,679	3,643,713,889	(104,456,790)	-3%
85	4350 Net Noncur. Def. Nonoper. Income Taxes	(2,036,349)	(776,101)	1,260,249	62%
86	4360 Other Deferred Credits	98,399,934	242,731,544	144,331,611	147%
87	4370 Other Juris. Liab. & Def. Credits	0	0	0	0%
88	TOTAL OTHER LIAB. & DEF. CREDITS	4,926,088,026	5,031,092,964	105,004,938	2%
89					
90	STOCKHOLDER'S EQUITY				
91	4510 Capital Stock *	7,155,179,395	7,117,720,796	(37,458,599)	-1%
92	4520 Additional Paid-in Capital	0	0	0	0%
93	4530 Treasury Stock	0	0	0	0%
94	4540 Other Capital	91,305,548	1,819,510	(89,486,038)	100%
95	4550 Retained Earnings **	4,079,399,116	4,046,445,770	(32,953,346)	-1%
96					
97	TOTAL STOCKHOLDER'S EQUITY	11,325,884,059	11,165,986,077	(159,897,982)	-1%
98					
99	TOTAL LIABILITIES AND EQUITY	25,881,336,091	26,155,188,719	273,852,628	1%

* Account 4510 has been adjusted to remove \$173,584,247 in 1992 for the equity impact of BBS. The 1993 telephone operations budget already excludes the impact of BCI.

** Account 4550 has been adjusted to remove (38,767,456) in 1992 for equity impact of BBS. The 1993 telephone operations budget already excludes the impact of BCI.

Supporting Schedules:

Recap Schedules:

Comparative Balance Sheets
for the Test Period
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(Florida)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Description	1992	1993	Difference (3-2)	% Change
	(1)	(2)	(3)	(4)	
1	CURRENT ASSETS				
2	1130 Cash	24,338,560	22,731,886	(1,606,674)	-7%
3	1140 Special Cash Deposits	151,608	157,179	5,571	4%
4	1150 Working Cash Advance	789,696	833,651	43,955	6%
5	1160 Temporary Investments	7,851,354	0	(7,851,354)	-100%
6	1180 Telecomm. Accounts Receivable	416,486,688	432,061,717	15,575,029	4%
7	1181 Telecomm. Accounts Rec. Allowance	(20,136,479)	(19,889,162)	247,317	1%
8	1190 Other Accounts Receivable	34,218,957	34,742,451	523,494	2%
9	1191 Accounts Receivable Allowance-Other	0	0	0	0%
10	1200 Notes Receivable	95,287	26,772	(68,515)	-72%
11	1201 Notes Receivable Allowance	0	0	0	0%
12	1210 Interest and Dividends Receivable	105,652	144,355	38,703	37%
13	1220 Material and Supplies	53,939,826	70,867,000	16,927,174	31%
14	1290 Prepaid Rents	373,878	339,998	(33,880)	-9%
15	1300 Prepaid Taxes	5,175,052	5,927,378	752,326	15%
16	1310 Prepaid Insurance	1,904,999	1,715,195	(189,804)	-10%
17	1320 Prepaid Directory Expenses	0	0	0	0%
18	1330 Other Prepayments	1,170,051	1,955,780	785,729	67%
19	1350 Other Current Assets	533,715	31,016	(502,699)	-94%
20	TOTAL CURRENT ASSETS	526,998,844	551,645,216	24,646,372	5%
21					
22	NONCURRENT ASSETS				
23	1401 Investments in Affiliated Co.	6,776,838	6,765,603	(11,235)	0%
24	1402 Inv. In Nonaffiliated Co.	513,342	546,660	33,318	6%
25	1406 Nonregulated Investments	0	0	0	0%
26	1407 Unamortized Debt Issuance Expense	45,348,741	39,832,086	(5,516,655)	-12%
27	1408 Sinking Funds	0	0	0	0%
28	1410 Other Noncurrent Assets	906,972	872,917	(34,055)	-4%
29	1438 Deferred Maint. & Retire.	829,477	10,564,472	9,734,995	1174%
30	1439 Deferred Charges	80,665,831	116,007,508	35,341,677	44%
31	1500 Other Jurisdictional Assets - Net	0	0	0	0%
32	TOTAL NONCURRENT ASSETS	135,041,201	174,589,246	39,548,045	29%
33					

Note: This balance sheet is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Comparative Balance Sheets
for the Test Period
and Prior Year
(Florida)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1993

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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Description	1992	1993	Difference (3-2)	% Change
	(1)	(2)	(3)	(4)	
34	TELEPHONE PLANT IN SERVICE				
35	2001 Telecomm. Plant in Service	9,065,972,919	9,429,991,000	364,018,081	4%
36	2002 Property Held for Future Use	229,513	236,000	6,487	3%
37	2003 Plant under Construction - Short Term	32,687,207	45,237,000	12,549,793	38%
38	2004 Plant under Construction - Long Term	23,811,132	34,945,000	11,133,868	47%
39	2005 Plant Adjustment	0	0	0	0%
40	2006 Nonoperating Plant	8,902,213	10,417,653	1,515,440	17%
41	2007 Goodwill	483,521	424,010	(59,511)	-12%
42	SUBTOTAL	9,132,086,505	9,521,250,663	389,164,158	4%
43	LESS:				
44	3100 Acc. Depreciation	(3,588,808,999)	(3,976,545,000)	(387,736,001)	-11%
45	3200 Acc. Depreciation - Held for Future Use	0	0	0	0%
46	3300 Acc. Depreciation - Nonoperating	(2,840,938)	(3,016,361)	(175,423)	-6%
47	3410 Acc. Amort. - Capitalized Leases	(3,250,183)	(13,436,000)	(10,185,817)	-313%
48	3420 Acc. Amort. - Leasehold Improvements	(6,932,465)	0	6,932,465	100%
49	3500 Acc. Amort. Intangible	0	0	0	0%
50	3600 Acc. Amort. - Other	0	0	0	0%
51	SUBTOTAL	(3,601,832,585)	(3,992,997,361)	(391,164,776)	-11%
52	NET TELEPHONE PLANT IN SERVICE	5,530,253,920	5,528,253,302	(2,000,618)	0%
53					
54	TOTAL ASSETS	6,192,293,965	6,254,487,764	62,193,799	1%

Note: This balance sheet is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Supporting Schedules:

Recap Schedules:

Comparative Balance Sheets
for the Test Period
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(Florida)

FLORIDA PUBLIC SERVICE COMMISSION
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Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Description	1992	1993	Difference (3-2)	% Change
(1)		(2)	(3)	(4)	
55	CURRENT LIABILITIES				
56	4010 Accounts Payable	217,608,243	223,954,521	6,346,278	3%
57	4020 Notes Payable	152,708,259	246,305,284	93,597,025	61%
58	4030 Advanced Billing and Payments	68,193,670	71,088,026	2,894,356	4%
59	4040 Customers' Deposits	55,049,768	52,040,000	(3,009,768)	-5%
60	4050 Current Maturities - Long Term	262	264	2	1%
61	4060 Current Maturities - Capital Leases	2,820,981	3,055,694	234,713	8%
62	4070 Income Taxes - Accrued	34,402,262	7,893,108	(26,509,154)	-77%
63	4080 Other Taxes - Accrued	54,566,909	56,932,465	2,365,556	4%
64	4100 Net Current Deferred Op. Inc. Taxes	(6,254,881)	(4,406,000)	1,848,881	30%
65	4110 Net Current Def. Nonop. Inc. Taxes	129,029	116,326	(12,703)	-10%
66	4120 Other Accrued Liabilities	204,854,451	217,642,472	12,788,021	6%
67	4130 Other Long-Term Debt	11,068,409	12,108,060	1,039,651	9%
68	TOTAL CURRENT LIABILITIES	795,147,362	886,730,220	91,582,858	12%
69					
70	LONG-TERM DEBT				
71	4210 Funded Debt	1,517,587,719	1,499,025,081	(18,562,638)	-1%
72	4220 Premium on Long-Term Debt	466,220	413,183	(53,037)	-11%
73	4230 Discount on Long-Term Debt	(12,531,724)	(12,616,971)	(85,247)	-1%
74	4240 Reacquired Debt	0	0	0	0%
75	4250 Obligations under Capital Leases	7,794,536	7,235,209	(559,327)	-7%
76	4260 Advanced from Affiliated Companies	0	0	0	0%
77	4270 Other Long-Term Debt	359,140	309,788	(49,352)	-14%
78	TOTAL LONG-TERM DEBT	1,513,675,891	1,494,366,290	(19,309,601)	-1%
79					

Note: This balance sheet is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Supporting Schedules:

Recap Schedules:

Comparative Balance Sheets
for the Test Period
and Prior Year
(Florida)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1993

Schedule B-3a
Page 4 of 4
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Description	1992	1993	Difference (3-2)	% Change
	(1)	(2)	(3)	(4)	
80	OTHER LIABILITIES AND DEFERRED CREDITS				
81	4310 Other Long-Term Liabilities	103,019,492	135,727,150	32,707,658	32%
82	4320 Unamortized Operating ITC - Net	167,311,425	141,681,000	(25,630,425)	-15%
83	4330 Unamortized Nonoperating ITC - Net	0	0	0	0%
84	4340 Net Noncur. Def. Oper. Income Taxes	929,863,396	912,061,000	(17,802,396)	-2%
85	4350 Net Noncur. Def. Nonoper. Income Taxes	(483,086)	(183,996)	299,090	62%
86	4360 Other Deferred Credits	23,343,534	57,546,100	34,202,566	147%
87	4370 Other Juris. Liab. & Def. Credits	0	0	0	0%
88	TOTAL OTHER LIAB. & DEF. CREDITS	1,223,054,761	1,246,831,254	23,776,493	2%
89					
90	STOCKHOLDER'S EQUITY				
91	4510 Capital Stock	1,697,431,753	1,687,448,871	(9,982,882)	-1%
92	4520 Additional Paid-in Capital	0	0	0	100%
93	4530 Treasury Stock	0	0	0	0%
94	4540 Other Capital	21,660,524	431,364	(21,229,160)	100%
95	4550 Retained Earnings	967,760,728	959,319,781	(8,440,947)	-1%
96					
97	TOTAL STOCKHOLDER'S EQUITY	2,686,853,005	2,647,200,016	(39,652,989)	-1%
98					
99	Allocation Adjustment	(26,437,054)	(20,640,015)	5,797,039	22%
100					
101	TOTAL LIABILITIES AND EQUITY	6,192,293,965	6,254,487,765	62,193,800	1%

Note: This balance sheet is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Supporting Schedules:

Recap Schedules:

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

6. Schedule B-3b-- A separated average balance sheet on a 12-month average basis for the test year and prior year using the accounts designated in Schedule 10 of Form M annual report, divided into the following classifications: total company Florida operations, interstate toll operations, total intrastate operations, intrastate toll (InterLATA and IntraLATA), and local operations. Where separations procedures do not exist and direct assignment cannot be made between categories, provide details of the separations method employed.

Separated Balance Sheets
for the Test Period and Prior Year
1992 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1993

Schedule B-3b
Page 1 of 4
Witness Responsible W. B. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated *	Interstate Toll	(5 + 9)	(7 + 8)	Intrastate Toll		Local
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	CURRENT ASSETS								
2	1130 Cash	102,594,266	24,338,560	6,322,249	18,016,811	4,060,446	2,005,657	2,074,789	13,935,865
3	1140 Special Cash Deposits	639,075	151,608	39,382	112,226	25,417	12,483	12,924	86,809
4	1150 Working Cash Advance	3,326,803	789,696	205,134	584,562	132,395	65,076	67,319	452,167
5	1160 Temporary Investments	33,095,790	7,851,354	2,039,489	5,811,865	1,316,307	647,003	669,304	4,495,558
6	1180 Telecomm. Accounts Receivable	1,755,615,189	416,486,688	108,167,690	308,298,998	69,825,461	34,321,233	35,504,228	238,473,537
7	1181 Telecomm. Accounts Rec. Allowance	(84,881,244)	(20,136,479)	(5,230,705)	(14,905,774)	(3,375,952)	(1,859,378)	(1,716,574)	(11,529,822)
8	1190 Other Accounts Receivable	144,243,074	34,218,957	8,888,807	25,330,150	5,736,928	2,819,866	2,917,062	19,593,222
9	1191 Accounts Receivable Allowance-Other	0	0	0	0	0	0	0	0
10	1200 Notes Receivable	401,664	95,287	24,752	70,535	15,975	7,852	8,123	54,560
11	1201 Notes Receivable Allowance	0	0	0	0	0	0	0	0
12	1210 Interest and Dividends Receivable	445,355	105,652	27,444	78,208	17,713	8,706	9,007	60,495
13	1220 Material and Supplies	269,927,171	53,939,826	14,662,216	39,277,610	8,857,045	3,902,528	4,954,517	30,420,565
14	1290 Prepaid Rents	1,576,007	373,878	97,120	276,758	62,682	30,810	31,872	214,076
15	1300 Prepaid Taxes	21,814,382	5,175,052	1,344,285	3,830,787	867,616	426,458	441,158	2,963,151
16	1310 Prepaid Insurance	8,030,135	1,904,999	494,848	1,410,151	319,379	158,984	162,395	1,090,772
17	1320 Prepaid Directory Expenses	0	0	0	0	0	0	0	0
18	1330 Other Prepayments	4,932,112	1,170,051	303,936	866,115	196,163	96,420	99,743	669,952
19	1350 Other Current Assets	2,249,765	533,715	138,639	395,076	89,480	43,982	45,498	305,596
20	TOTAL CURRENT ASSETS	2,264,011,544	526,998,844	137,545,286	389,453,558	88,167,055	42,885,690	45,281,365	301,286,503
21									
22	NONCURRENT ASSETS								
23	1401 Investments in Affiliated Co. **	28,566,388	6,776,838	1,760,369	5,016,469	1,136,161	558,456	577,705	3,880,308
24	1402 Inv. in Nonaffiliated Co.	2,163,888	513,342	133,347	379,995	88,064	42,303	43,761	293,931
25	1406 Nonregulated Investments	0	0	0	0	0	0	0	0
26	1407 Unamortized Debt Issuance Expense	191,158,424	45,346,741	11,779,910	33,568,831	7,602,877	3,737,034	3,865,843	25,965,954
27	1408 Sinking Funds	0	0	0	0	0	0	0	0
28	1410 Other Noncurrent Assets	3,823,155	906,972	235,597	671,375	152,057	74,740	77,317	519,318
29	1438 Deferred Maint. & Retire.	3,496,494	829,477	215,467	614,010	139,064	68,354	70,710	474,946
30	1439 Deferred Charges	340,030,456	80,665,831	20,953,971	59,711,860	13,523,911	6,647,393	6,876,518	46,187,949
31	1500 Other Jurisdictional Assets - Net	0	0	0	0	0	0	0	0
32	TOTAL NONCURRENT ASSETS	569,238,804	135,041,201	35,078,661	99,962,540	22,640,134	11,128,280	11,511,854	77,322,406
33									

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

** Total Southern Bell has been adjusted to remove \$131,978,717 investment in BBS.

Supporting Schedules: B-3a

Recap Schedules:

Separated Balance Sheets
for the Test Period and Prior Year
1992 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1993

Schedule B-3b
Page 2 of 4
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated *	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		Local
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
34	TELEPHONE PLANT IN SERVICE								
35	2001 Telecomm. Plant in Service	37,362,406,428	9,065,972,919	2,339,027,255	6,726,945,664	1,522,296,306	752,162,591	770,133,715	5,204,649,358
36	2002 Property Held for Future Use	1,020,348	229,513	59,032	170,481	38,602	18,983	19,619	131,879
37	2003 Plant under Construction - Short Term	205,521,067	32,667,207	8,603,915	24,083,292	5,456,259	2,674,317	2,781,942	18,627,033
38	2004 Plant under Construction - Long Term	95,754,231	23,811,132	6,137,123	17,674,009	3,993,455	1,961,776	2,031,669	13,680,544
39	2005 Plant Adjustment	4,672,119	0	0	0	0	0	0	0
40	2006 Nonoperating Plant	37,525,472	8,902,213	2,312,463	6,589,750	1,492,488	733,601	758,667	5,097,262
41	2007 Goodwill	2,036,163	483,521	125,601	357,920	81,064	39,845	41,219	276,856
42	SUBTOTAL	37,708,937,848	9,132,086,505	2,356,265,389	6,775,821,116	1,533,958,184	757,591,113	775,767,071	5,242,462,932
43	LESS:								
44	3100 Acc. Depreciation	(14,581,469,328)	(3,588,808,999)	(938,444,671)	(2,650,364,328)	(600,587,335)	(293,584,600)	(307,002,735)	(2,049,776,993)
45	3200 Acc. Depreciation - Held for Future Use	(128,393)	0	(2)	2	0	17	(17)	2
46	3300 Acc. Depreciation - Nonoperating	(11,975,400)	(2,640,938)	(737,970)	(2,102,968)	(476,293)	(234,112)	(242,181)	(1,626,675)
47	3410 Acc. Amort. - Capitalized Leases	(27,845,611)	(3,250,183)	(742,139)	(2,508,045)	(560,028)	(302,754)	(257,274)	(1,948,017)
48	3420 Acc. Amort. - Leasehold Improvements	(39,413,373)	(6,932,465)	(1,582,941)	(5,349,523)	(1,194,509)	(645,758)	(548,751)	(4,155,014)
49	3500 Acc. Amort. Intangible	0	0	0	0	0	0	0	0
50	3600 Acc. Amort. - Other	0	0	0	0	0	0	0	0
51	SUBTOTAL	(14,660,852,106)	(3,601,832,565)	(941,507,723)	(2,660,324,862)	(602,618,165)	(294,767,207)	(308,050,958)	(2,057,506,697)
52	NET TELEPHONE PLANT IN SERVICE	23,048,085,743	5,530,253,920	1,414,757,666	4,115,496,254	930,540,019	462,823,906	467,716,113	3,184,956,235
53									
54	TOTAL ASSETS	25,861,336,091	6,192,293,965	1,587,381,613	4,604,912,352	1,041,947,208	516,837,876	524,509,332	3,563,565,144

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Supporting Schedules:

Recap Schedules:

Separated Balance Sheets
for the Test Period and Prior Year
1992 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1993

Schedule B-3b
Page 3 of 4
Witness Responsible W. S. Reid

Check Whether Data is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated *	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		Local
					Total Intrastate	Toll	IntraLATA	InterLATA	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
55	CURRENT LIABILITIES								
56	4010 Accounts Payable	917,283,429	217,608,243	56,526,496	161,081,747	36,482,789	17,932,346	16,550,449	124,598,958
57	4020 Notes Payable	643,710,708	152,708,259	39,667,904	113,040,355	25,602,078	12,584,162	13,017,916	87,438,277
58	4030 Advanced Billing and Payments	287,456,591	68,193,670	17,714,169	50,479,501	11,432,909	5,619,605	5,813,304	39,046,592
59	4040 Customers' Deposits	120,511,092	55,049,768	14,299,874	40,749,894	9,229,288	4,536,462	4,692,826	31,520,606
60	4050 Current Maturities - Long Term	1,104	262	68	194	44	22	22	150
61	4060 Current Maturities - Capital Leases	11,691,271	2,820,981	732,786	2,088,195	472,947	232,467	240,480	1,815,248
62	4070 Income Taxes - Accrued	145,015,759	34,402,262	8,936,423	25,465,839	5,767,661	2,834,972	2,932,689	19,698,178
63	4080 Other Taxes - Accrued	230,015,743	54,566,909	14,174,445	40,392,484	9,148,335	4,496,671	4,651,664	31,244,129
64	4100 Net Current Deferred Op. Inc. Taxes	(17,938,440)	(6,254,881)	(1,504,876)	(4,750,004)	(1,071,106)	(554,188)	(516,918)	(3,678,898)
65	4110 Net Current Def. Nonop. Inc. Taxes	543,898	129,029	33,517	95,512	21,632	10,633	10,999	73,880
66	4120 Other Accrued Liabilities	863,522,406	204,854,451	53,213,536	151,640,915	34,344,571	16,881,350	17,463,221	117,296,344
67	4130 Other Long-Term Debt	46,656,634	11,068,409	2,875,159	8,193,250	1,855,857	912,109	943,548	6,337,593
68	TOTAL CURRENT LIABILITIES	3,248,770,193	795,147,362	206,669,501	588,477,862	133,286,805	65,466,611	67,800,194	455,191,057
69									
70	LONG-TERM DEBT								
71	4210 Funded Debt	6,397,083,333	1,517,587,719	394,212,624	1,123,375,095	254,428,931	125,059,176	129,369,755	868,946,164
72	4220 Premium on Long-Term Debt	1,965,257	466,220	121,107	345,113	78,164	38,420	39,744	266,949
73	4230 Discount on Long-Term Debt	(52,824,941)	(12,531,724)	(3,255,274)	(9,276,450)	(2,100,988)	(1,032,696)	(1,068,292)	(7,175,462)
74	4240 Reacquired Debt	0	0	0	0	0	0	0	0
75	4250 Obligations under Capital Leases	32,856,284	7,794,536	2,024,729	5,769,807	1,306,782	642,321	664,461	4,463,025
76	4260 Advanced from Affiliated Companies	0	0	0	0	0	0	0	0
77	4270 Other Long-Term Debt	1,513,880	359,140	93,291	265,849	60,211	29,595	30,616	205,638
78	TOTAL LONG-TERM DEBT	6,380,593,813	1,513,675,891	393,196,477	1,120,479,414	253,773,100	124,736,816	129,036,264	866,706,314
79									

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Supporting Schedules:

Recap Schedules:

Separated Balance Sheets
for the Test Period and Prior Year
1992 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1993

Schedule B-3b
Page 4 of 4
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated *	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		Local
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
80	OTHER LIABILITIES AND DEFERRED CREDITS								
81	4310 Other Long-Term Liabilities	434,257,783	103,019,492	25,760,617	76,258,875	17,271,581	8,469,481	8,782,100	58,987,294
82	4320 Unamortized Operating ITC - Net	647,295,981	167,311,425	40,021,981	127,289,444	27,922,094	14,618,652	13,303,432	99,967,350
83	4330 Unamortized Nonoperating ITC - Net	0	0	0	0	0	0	0	0
84	4340 Net Noncur. Def. Oper. Income Taxes	3,748,170,679	929,863,396	223,718,018	706,145,376	159,232,881	82,366,745	76,646,136	546,912,497
85	4350 Net Noncur. Def. Nonoper. Income Taxes	(2,036,349)	(483,086)	(125,488)	(357,598)	(80,991)	(39,809)	(41,182)	(276,607)
86	4360 Other Deferred Credits	98,399,934	23,343,534	6,063,779	17,279,755	3,913,626	1,923,660	1,989,966	13,366,129
87	4370 Other Juris. Liab. & Def. Credits	0	0	0	0	0	0	0	0
88	TOTAL OTHER LIAB. & DEF. CREDITS	4,926,088,026	1,223,054,761	296,438,907	926,615,654	208,259,191	107,978,739	100,880,452	718,356,663
89									
90	STOCKHOLDER'S EQUITY								
91	4510 Capital Stock **	7,155,179,395	1,697,431,753	440,929,389	1,256,502,364	284,580,417	139,879,503	144,700,914	971,921,947
92	4520 Additional Paid-in Capital	0	0	0	0	0	0	0	0
93	4530 Treasury Stock	0	0	0	0	0	0	0	0
94	4540 Other Capital	91,905,548	21,660,524	5,626,595	16,033,929	3,631,463	1,784,969	1,846,494	12,402,466
95	4550 Retained Earnings @	4,079,399,116	967,760,728	251,388,104	716,372,624	162,246,498	79,749,825	82,498,673	554,124,126
96									
97	TOTAL STOCKHOLDER'S EQUITY	11,325,884,059	2,686,853,005	697,944,088	1,988,908,917	450,460,378	221,414,297	229,046,081	1,536,448,539
98									
99	Allocation Adjustment	0	(26,437,054)	(6,867,359)	(19,569,695)	(4,432,266)	(2,178,587)	(2,253,679)	(15,137,429)
100									
101	TOTAL LIABILITIES AND EQUITY	25,881,336,091	6,192,293,965	1,567,361,613	4,604,912,352	1,041,847,208	516,637,876	524,509,332	3,563,565,144

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

** Total Southern Bell Account 4510 has been adjusted to remove \$173,584,247 equity impact of BBS.

@ Total Southern Bell Account 4550 has been adjusted to remove (38,767,456) equity impact of BBS.

Supporting Schedules:

Recap Schedules:

Separated Balance Sheets
for the Test Period and Prior Year
1993 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1993

Schedule B-3b
Page 1 of 4
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated *	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		Local
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	CURRENT ASSETS								
2	1130 Cash	95,883,925	22,731,886	5,814,406	17,117,480	0	0	0	17,117,480
3	1140 Special Cash Deposits	662,987	157,179	38,821	118,358	0	0	0	118,358
4	1150 Working Cash Advance	3,516,369	833,651	205,898	627,753	0	0	0	627,753
5	1160 Temporary Investments	0	0	0	0	0	0	0	0
6	1180 Telecomm. Accounts Receivable	1,822,452,059	432,061,717	106,712,217	925,349,500	0	0	0	925,349,500
7	1181 Telecomm. Accounts Rec. Allowance	(83,893,211)	(19,889,162)	(4,912,300)	(14,976,862)	0	0	0	(14,976,862)
8	1190 Other Accounts Receivable	146,544,923	34,742,451	8,580,820	26,161,631	0	0	0	26,161,631
9	1191 Accounts Receivable Allowance-Other	0	0	0	0	0	0	0	0
10	1200 Notes Receivable	112,925	26,772	6,612	20,160	0	0	0	20,160
11	1201 Notes Receivable Allowance	0	0	0	0	0	0	0	0
12	1210 Interest and Dividends Receivable	608,895	144,355	35,653	108,702	0	0	0	108,702
13	1220 Material and Supplies	297,286,005	70,867,000	18,220,000	52,647,000	0	0	0	52,647,000
14	1290 Prepaid Rents	1,434,125	339,998	83,974	256,024	0	0	0	256,024
15	1300 Prepaid Taxes	25,001,895	5,927,378	1,463,966	4,463,412	0	0	0	4,463,412
16	1310 Prepaid Insurance	7,234,756	1,715,195	423,625	1,291,570	0	0	0	1,291,570
17	1320 Prepaid Directory Expenses	0	0	0	0	0	0	0	0
18	1330 Other Prepayments	8,249,553	1,955,780	483,046	1,472,734	0	0	0	1,472,734
19	1350 Other Current Assets	130,827	31,016	7,560	23,356	0	0	0	23,356
20	TOTAL CURRENT ASSETS	2,325,226,032	551,845,216	136,964,398	414,680,818	0	0	0	414,680,818
21									
22	NONCURRENT ASSETS								
23	1401 Investments in Affiliated Co. **	28,537,559	6,765,603	1,670,994	5,094,609	0	0	0	5,094,609
24	1402 Inv. in Nonaffiliated Co.	2,305,831	546,660	135,016	411,644	0	0	0	411,644
25	1406 Nonregulated Investments	0	0	0	0	0	0	0	0
26	1407 Unamortized Debt Issuance Expense	168,013,191	39,832,086	9,837,877	29,994,209	0	0	0	29,994,209
27	1408 Sinking Funds	0	0	0	0	0	0	0	0
28	1410 Other Noncurrent Assets	3,681,998	872,917	215,596	657,321	0	0	0	657,321
29	1438 Deferred Maint. & Retire.	44,561,326	10,564,472	2,609,253	7,955,219	0	0	0	7,955,219
30	1439 Deferred Charges	489,323,896	118,007,508	28,651,968	87,355,540	0	0	0	87,355,540
31	1500 Other Jurisdictional Assets - Net	0	0	0	0	0	0	0	0
32	TOTAL NONCURRENT ASSETS	736,423,803	174,589,246	43,120,704	131,466,542	0	0	0	131,466,542
33									

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

** Total Southern Bell's Budget does not include BBS investment.

Supporting Schedules: B-3a

Recap Schedules:

Separated Balance Sheets
for the Test Period and Prior Year
1993 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1993

Schedule B-3b
Page 2 of 4
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated *	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		Local
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
34	TELEPHONE PLANT IN SERVICE								
35	2001 Telecomm. Plant in Service	38,562,834,138	9,429,991,000	2,295,569,000	7,134,422,000	0	0	0	7,134,422,000
36	2002 Property Held for Future Use	69,500	236,000	57,000	179,000	0	0	0	179,000
37	2003 Plant under Construction - Short Term	231,858,608	45,237,000	11,014,000	34,223,000	0	0	0	34,223,000
38	2004 Plant under Construction - Long Term	137,720,822	34,945,000	8,509,000	26,436,000	0	0	0	26,436,000
39	2005 Plant Adjustment	4,493,668	0	0	0	0	0	0	0
40	2006 Nonoperating Plant	43,942,041	10,417,653	2,572,991	7,844,662	0	0	0	7,844,662
41	2007 Goodwill	1,788,488	424,010	104,724	319,286	0	0	0	319,286
42	SUBTOTAL	38,982,707,265	9,521,250,669	2,317,826,715	7,203,423,948	0	0	0	7,203,423,948
43	LESS:								
44	3100 Acc. Depreciation	(15,788,891,434)	(3,976,545,000)	(970,249,000)	(3,008,296,000)	0	0	0	(3,008,296,000)
45	3200 Acc. Depreciation - Held for Future Use	(129,905)	0	0	0	0	0	0	0
46	3300 Acc. Depreciation - Nonoperating	(12,723,119)	(3,016,361)	(744,992)	(2,271,369)	0	0	0	(2,271,369)
47	3410 Acc. Amort. - Capitalized Leases	(87,423,923)	(13,436,000)	(2,903,000)	(10,533,000)	0	0	0	(10,533,000)
48	3420 Acc. Amort. - Leasehold Improvements	0	0	0	0	0	0	0	0
49	3500 Acc. Amort. Intangible	0	0	0	0	0	0	0	0
50	3600 Acc. Amort. - Other	0	0	0	0	0	0	0	0
51	SUBTOTAL	(15,889,188,381)	(3,992,997,361)	(973,896,992)	(3,019,100,369)	0	0	0	(3,019,100,369)
52	NET TELEPHONE PLANT IN SERVICE	23,093,538,884	5,528,253,302	1,343,929,723	4,184,323,579	0	0	0	4,184,323,579
53									
54	TOTAL ASSETS	26,155,186,719	6,254,487,764	1,524,014,825	4,730,472,939	0	0	0	4,730,472,939

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Supporting Schedules:

Recap Schedules:

Separated Balance Sheets
for the Test Period and Prior Year
1993 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920290-TL
Test Year 1993

Schedule B-3b
Page 3 of 4
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated *	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		Local
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
55	CURRENT LIABILITIES								
56	4010 Accounts Payable	944,648,325	223,954,521	55,313,124	168,641,397	0	0	0	168,641,397
57	4020 Notes Payable	1,038,924,659	246,305,284	80,833,399	185,471,885	0	0	0	185,471,885
58	4030 Advanced Billing and Payments	299,851,885	71,088,026	17,557,586	59,530,440	0	0	0	59,530,440
59	4040 Customers' Deposits	132,446,282	52,040,000	12,853,034	39,186,966	0	0	0	39,186,966
60	4050 Current Maturities - Long Term	1,115	264	65	199	0	0	0	199
61	4060 Current Maturities - Capital Leases	12,889,027	3,055,694	754,707	2,300,987	0	0	0	2,300,987
62	4070 Income Taxes - Accrued	33,293,417	7,893,108	1,949,469	5,943,639	0	0	0	5,943,639
63	4080 Other Taxes - Accrued	240,143,209	56,932,465	14,061,393	42,871,072	0	0	0	42,871,072
64	4100 Net Current Deferred Op. Inc. Taxes	(16,966,468)	(4,406,000)	(995,819)	(3,410,181)	0	0	0	(3,410,181)
65	4110 Net Current Def. Nonop. Inc. Taxes	490,667	116,326	28,731	87,595	0	0	0	87,595
66	4120 Other Accrued Liabilities	918,023,678	217,642,472	53,754,151	163,888,321	0	0	0	163,888,321
67	4130 Other Long-Term Debt	51,072,240	12,108,060	2,990,494	9,117,566	0	0	0	9,117,566
68	TOTAL CURRENT LIABILITIES	3,654,818,236	886,730,220	219,100,334	667,629,886	0	0	0	667,629,886
69									
70	LONG-TERM DEBT								
71	4210 Funded Debt	6,322,942,390	1,499,025,081	370,234,814	1,128,790,267	0	0	0	1,128,790,267
72	4220 Premium on Long-Term Debt	1,742,821	413,183	102,049	311,134	0	0	0	311,134
73	4230 Discount on Long-Term Debt	(53,218,644)	(12,616,971)	(3,116,187)	(9,500,784)	0	0	0	(9,500,784)
74	4240 Recquired Debt	0	0	0	0	0	0	0	0
75	4250 Obligations under Capital Leases	30,518,377	7,235,209	1,786,979	5,448,230	0	0	0	5,448,230
76	4260 Advanced from Affiliated Companies	0	0	0	0	0	0	0	0
77	4270 Other Long-Term Debt	1,306,699	309,788	76,513	233,275	0	0	0	233,275
78	TOTAL LONG-TERM DEBT	6,303,291,442	1,494,366,290	369,084,166	1,125,282,122	0	0	0	1,125,282,122
79									

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Supporting Schedules:

Recap Schedules:

Separated Balance Sheets
for the Test Period and Prior Year
1993 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260--TL
Test Year 1993

Schedule B-3b
Page 4 of 4
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated *	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		Local
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
80	OTHER LIABILITIES AND DEFERRED CREDITS								
81	4310 Other Long-Term Liabilities	572,502,062	135,727,150	33,522,399	102,204,751	0	0	0	102,204,751
82	4320 Unamortized Operating ITC - Net	572,921,569	141,681,000	33,284,000	108,397,000	0	0	0	108,397,000
83	4330 Unamortized Nonoperating ITC - Net	0	0	0	0	0	0	0	0
84	4340 Net Noncur. Def. Oper. Income Taxes	3,643,713,889	912,061,000	206,138,819	705,922,181	0	0	0	705,922,181
85	4350 Net Noncur. Def. Nonoper. Income Taxes	(776,101)	(183,996)	(45,444)	(138,552)	0	0	0	(138,552)
86	4360 Other Deferred Credits	242,731,544	57,546,100	14,212,951	43,333,149	0	0	0	43,333,149
87	4370 Other Juris. Liab. & Def. Credits	0	0	0	0	0	0	0	0
88	TOTAL OTHER LIAB. & DEF. CREDITS	5,031,092,964	1,246,831,254	287,112,725	959,718,529	0	0	0	959,718,529
89									
90	STOCKHOLDER'S EQUITY								
91	4510 Capital Stock **	7,117,720,796	1,687,448,871	416,772,425	1,270,676,446	0	0	0	1,270,676,446
92	4520 Additional Paid-In Capital	0	0	0	0	0	0	0	0
93	4530 Treasury Stock	0	0	0	0	0	0	0	0
94	4540 Other Capital	1,819,510	431,364	106,540	324,824	0	0	0	324,824
95	4550 Retained Earnings @	4,046,445,770	959,319,781	236,936,962	722,383,399	2	3	(1)	722,383,399
96									
97	TOTAL STOCKHOLDER'S EQUITY	11,165,986,077	2,647,200,016	653,815,347	1,993,384,669	2	3	(1)	1,993,384,666
98									
99	Allocation Adjustment	0	(20,640,015)	(5,097,748)	(15,542,267)	0	0	0	(15,542,267)
100									
101	TOTAL LIABILITIES AND EQUITY	26,155,188,719	6,254,487,765	1,524,014,826	4,730,472,939	2	3	(1)	4,730,472,936

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

** Total Southern Bell's Budget does not include the equity impact of BBS.

@ Total Southern Bell Account 4550 for the Budget does not include the impact of BBS.

Accounts for which no separations procedures exist and for which direct assignment cannot be made have been separated using net investment, comprising net plant, materials and supplies, less deferred income taxes and unamortized investment tax credit.

Supporting Schedules:

Recap Schedules:

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

7. Schedule B-4a-- A dollar breakdown of the end of period plant investment by each F.C.C. and F.P.S.C. property account and subaccount for the 3 years preceding the test year, the test year, and one year following the test year. Furnish balances for accounts 2001, Telephone Plant in Service, 2002, Property Held for Future Use, 2003 & 2004, Telephone Plant Under Construction, 2005, Telephone Plant Adjustment, 2006 Nonoperating Plant and 2007, Goodwill for the same periods. Show yearly percentage increases or decreases in each account.

Plant Investment By Accounts and Subaccounts
 Test Year, Historical and Projected Data
 (000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-4a

Page 1 of 1

Witness Responsible W. S. Reid

Check Whether Data Is:

Historic (X) or Projected ()

Average () or Year End (X)

Line No.	FCC Acct No.	Account	Percent Increase			Percent Increase			Percent Increase		
			1990	1991	(Decrease)	1992	(Decrease)	1993	(Decrease)	1994	(Decrease)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	2001	TELEPHONE PLANT IN SERVICE	8,619,775	8,959,496	3.94%	9,302,754	3.83%	9,681,869	4.08%	10,076,068	4.07%
2	2111	Land	49,204	49,494	0.59%	49,387	-0.22%	49,387	0.00%	49,387	0.00%
3	2112-5	Veh. & Garage Work Equip.	31,961	33,413	4.54%	42,753	27.95%	47,397	10.86%	52,263	10.27%
4	2116	Other Work Equipment	61,400	68,404	11.41%	80,098	17.10%	80,124	0.03%	82,818	3.36%
5	2121	Buildings	608,720	623,284	2.39%	639,629	2.62%	649,270	1.51%	663,964	2.26%
6	2122-3	Off. Furniture and Equip.	155,774	71,057	-54.38%	59,611	-18.11%	32,114	-46.13%	33,310	3.72%
7	2124	General Purpose Computers	244,140	346,622	41.98%	338,032	-2.48%	360,962	6.78%	412,380	14.24%
8		SubTotal (Lines 2-7)	1,151,199	1,192,275	3.57%	1,209,511	1.45%	1,219,254	0.81%	1,294,122	6.14%
9	2210	CO - Switching	1,500,368	1,563,193	4.19%	1,592,905	1.90%	1,640,095	2.96%	1,672,083	1.95%
10	2220	Operator Systems	29,779	35,088	17.83%	37,544	7.00%	40,710	8.43%	41,555	2.08%
11	2230	CO - Transmission	1,557,036	1,662,263	6.76%	1,785,096	7.39%	1,934,205	8.35%	2,076,453	7.35%
12	2311	Station Apparatus	604	700	15.90%	734	4.83%	734	-0.04%	734	0.00%
13	2321	Customer Premises Wiring	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
14	2341	Large PBX	5,561	6,041	8.64%	6,780	12.23%	7,279	7.36%	7,679	5.50%
15	2351	Public Tele. Equipment	79,740	72,928	-8.54%	60,954	-16.42%	61,354	0.66%	55,854	-8.96%
16	2362	Other Terminal Equipment	87,045	93,822	7.79%	96,862	3.24%	98,024	1.20%	104,624	6.73%
17	2411	Poles	109,843	114,418	4.17%	122,075	6.69%	127,975	4.83%	132,175	3.28%
18	2421	Aerial Cables	595,786	625,273	4.95%	656,129	4.94%	682,180	3.97%	704,980	3.34%
19	2422	Underground Cable	863,612	869,491	0.68%	889,866	2.34%	914,866	2.81%	928,966	1.54%
20	2423	Buried Cables	1,963,701	2,033,373	3.55%	2,130,851	4.79%	2,223,201	4.33%	2,311,351	3.96%
21	2431	Aerial Wires	4,374	4,413	0.90%	4,427	0.31%	4,077	-7.91%	3,627	-11.04%
22	2441	Conduit Systems	594,890	615,558	3.47%	635,390	3.22%	656,390	3.31%	674,090	2.70%
23		Other Cable and Wire	51,602	51,349	-0.49%	51,949	1.17%	51,299	-1.25%	50,099	-2.34%
24	2681	Capital Leases	11,619	6,331	-45.51%	6,920	9.30%	5,467	-20.99%	2,917	-46.65%
25	2682	Leasehold Improvements	13,016	12,980	-0.28%	14,759	13.71%	14,759	-0.00%	14,759	0.00%
26	2690	Intangibles	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
27		SubTotal (Lines 8-24)	8,619,775	8,959,496	3.94%	9,302,754	3.83%	9,681,869	4.08%	10,076,068	4.07%
28	2002	Property Held For Future Use	555	236	-57.53%	236	0.00%	236	0.18%	236	0.00%
29	2003	TPUC - Short Term	57,464	34,044	-40.76%	38,269	12.41%	29,346	-23.32%	29,346	0.00%
30	2004	TPUC - Long Term	30,656	18,311	-40.27%	42,489	132.04%	526	-98.76%	526	0.00%
31		SubTotal (Lines 25-28)	8,708,450	9,012,088	3.49%	9,383,748	4.12%	9,711,977	3.50%	10,106,176	4.06%
32	2005	Telephone Plant Adjustment	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
33	2006	Nonoperating Plant	12,824	13,527	5.49%	13,332	-1.44%	13,334	0.01%	13,334	0.00%
34	2007	Goodwill	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
35		Total	8,721,273	9,025,615	3.49%	9,397,081	4.12%	9,725,311	3.49%	10,119,510	4.05%

Supporting Schedules: B-4b

Recap Schedules:

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

8. Schedule B-4b-- A 14-month analysis of each property account for the test year and one month immediately preceding and following the test year.

Plant Investment By Accounts and Subaccounts

Test Year, Historical and Projected Data

(000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-4b
 Page 1 of 1
 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic (X) or Projected (X)
 Average () or Year End (X)

Line No.	FCC Acct No.	Account	Test Year													
			DECEMBER 1992	JANUARY 1993	FEBRUARY 1993	MARCH 1993	APRIL 1993	MAY 1993	JUNE 1993	JULY 1993	AUGUST 1993	SEPTEMBER 1993	OCTOBER 1993	NOVEMBER 1993	DECEMBER 1993	JANUARY 1994 *
		(1)														
1	2001	TELEPHONE PLANT IN SERVICE	9,302,754	9,313,808	9,339,730	9,384,757	9,422,791	9,474,644	9,507,637	9,544,817	9,581,295	9,618,232	9,650,434	9,668,919	9,712,772	
2	2111	Land	49,387	49,387	49,387	49,387	49,387	49,387	49,387	49,387	49,387	49,387	49,387	49,387	49,387	
3	2112-5	Veh. & Garage Work Equip.	42,753	42,909	43,697	44,406	45,018	45,632	46,266	46,526	46,762	47,017	47,212	47,354	47,485	
4	2116	Other Work Equipment	80,098	80,024	80,099	80,489	80,899	81,229	81,643	81,923	82,103	82,178	82,254	82,223	82,099	
5	2121	Buildings	639,629	626,190	628,079	629,909	631,903	633,861	635,799	637,597	639,310	641,354	643,939	646,130	649,270	
6	2122-3	Off. Furniture and Equip.	59,611	43,590	43,374	43,236	43,114	42,882	42,722	42,490	42,287	42,160	42,037	41,919	41,897	
7	2124	General Purpose Computers	338,032	354,187	354,957	352,830	354,714	358,999	358,886	359,442	362,321	365,638	369,144	367,342	373,846	
8		SubTotal (Lines 2-7)	1,209,511	1,196,367	1,199,593	1,200,257	1,205,035	1,209,790	1,212,505	1,217,365	1,222,170	1,227,734	1,233,973	1,234,355	1,243,584	0
9	2210	CO - Switching	1,592,905	1,590,893	1,584,817	1,595,171	1,589,752	1,616,325	1,619,770	1,625,037	1,625,447	1,628,713	1,624,360	1,620,056	1,640,337	
10	2220	Operator Systems	37,544	37,639	37,816	39,062	37,896	37,453	38,109	37,288	40,314	40,601	40,716	40,721	40,710	
11	2230	CO - Transmission	1,785,096	1,795,362	1,806,395	1,820,423	1,832,795	1,846,284	1,856,463	1,867,771	1,880,266	1,894,000	1,908,902	1,921,451	1,934,796	
12	2311	Station Apparatus	734	734	734	734	734	734	734	734	734	734	734	734	734	
13	2321	Customer Premises Wiring	0	0	0	0	0	0	0	0	0	0	0	0	0	
14	2341	Large PBX	6,780	6,830	6,880	6,955	7,005	7,055	7,130	7,180	7,230	7,305	7,355	7,305	7,260	
15	2351	Public Tele. Equipment	60,954	60,941	60,764	61,969	62,285	61,948	62,098	62,411	62,384	62,241	62,623	62,183	61,354	
16	2362	Other Terminal Equipment	96,662	97,313	97,863	98,436	98,988	99,536	100,113	100,763	101,313	101,888	102,438	103,038	103,763	
17	2411	Poles	122,075	122,845	123,504	124,075	124,560	125,054	125,447	125,881	126,326	126,753	127,122	127,615	127,975	
18	2421	Aerial Cables	658,129	658,514	661,027	664,036	667,044	669,826	672,375	674,818	677,667	680,894	682,540	683,545	682,180	
19	2422	Underground Cable	889,866	892,376	895,122	898,380	901,450	904,278	907,024	908,407	912,215	915,171	918,471	917,524	914,866	
20	2423	Buried Cables	2,130,851	2,139,488	2,148,454	2,157,260	2,165,677	2,174,763	2,182,910	2,191,540	2,199,344	2,206,607	2,213,981	2,219,597	2,223,201	
21	2431	Aerial Wires	4,427	4,411	4,398	4,381	4,352	4,319	4,287	4,262	4,234	4,205	4,182	4,121	4,077	
22	2441	Conduit Systems	635,390	637,252	639,264	641,173	643,084	645,031	646,448	648,230	649,808	651,336	653,338	655,037	656,390	
23		Other Cable and Wire	51,949	51,750	51,706	51,584	51,583	51,537	51,515	51,533	51,527	51,554	51,493	51,431	51,299	
24	2681	Capital Leases	6,920	6,534	6,534	6,100	5,992	5,950	5,838	5,838	5,537	5,537	5,467	5,467	5,467	
25	2682	Leasehold Improvements	14,759	14,759	14,759	14,759	14,759	14,759	14,759	14,759	14,759	14,759	14,759	14,759	14,759	
26	2690	Intangibles	0	0	0	0	0	0	0	0	0	0	0	0	0	
27		SubTotal (Lines 8-26)	9,302,754	9,313,808	9,339,730	9,384,757	9,422,791	9,474,644	9,507,637	9,544,817	9,581,295	9,618,232	9,650,434	9,668,919	9,712,772	0
28	2002	Property Held For Future Use	236	236	236	236	236	236	236	236	236	236	236	236	236	
29	2003	TPUC - Short Term	38,269	31,395	39,209	46,854	53,370	49,546	46,347	46,327	57,141	57,392	46,251	43,040	29,346	
30	2004	TPUC - Long Term	42,489	34,819	52,359	41,578	41,423	45,180	36,792	36,427	37,876	33,131	31,072	9,728	526	
31		SubTotal (Lines 27-30)	9,383,748	9,380,258	9,431,534	9,473,225	9,517,820	9,569,805	9,591,012	9,629,807	9,676,548	9,708,991	9,727,993	9,721,932	9,742,880	0
32	2005	Telephone Plant Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	
33	2006	Nonoperating Plant	13,332	13,248	13,248	13,248	13,248	13,334	13,334	13,334	13,334	13,334	13,334	13,334	13,334	
34	2007	Goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0	
35		Total	9,397,081	9,393,506	9,444,782	9,488,473	9,531,068	9,582,939	9,604,346	9,643,141	9,689,882	9,722,325	9,741,327	9,735,266	9,756,214	0

* 1994 is forecast on an annual basis only

Supporting Schedules:

Recap Schedules:

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

9. Schedule B-4c-- A listing and explanation of all changes in accounts and subaccounts in Schedule B-4a that exceed the annual access line growth rate plus 10% for the test period compared to the prior twelve (12) month period. Show percent and dollar level of annual change for all accounts meeting the above criteria and the annual number and percent change in average access lines for each of the three (3) years preceding the test year, the test year and the average annual change for the entire four-year period.

Explanation of Changes in Plant Investment*
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-4c
 Page 1 of 1
 Witness Responsible: W. S. Reid

Check Whether Data Is:
 Historic or Projected
 Average or Year End

Line No.	Account Number	Description	Increase in Amount From 1992 to 1993		Explanation*
			Dollars	Percent	
(1)	(1)	(2)	(3)	(4)	(5)
1.	2003	TPUC - Short Term	6,968	18.21%	Due to Budget increases for Loop Improvement and Switch replacements.

Average Annual Access Line Growth Rate

Period	Average Access Lines	Annual Percent Increase (Decrease)
(1)	(2)	(3)
1990	4,511,804	XXXX
1991	4,663,857	3.37%
1992	4,823,117	3.41%
1993	5,011,336	3.90%

Average Growth Rate for the Entire Period 3.56%

* Explain all percentage changes which exceed the annual access line growth rate plus 10%

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

10. Schedule B-5a-- Monthly operating reports for the test year.
These reports shall be provided in a separate binder.

FLORIDA PUBLIC SERVICE COMMISSION
Company: Southern Bell - Florida
Docket No. 920260-TL
Test Year: 1993

Schedule B-5a
Page 1 of 1
Witness Responsible:
W. S. Reid

Monthly operating reports do not apply to 1993 test year. Please see the 1992 historical MFR, volumes 6 through 9, for the B-5a schedule.

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

11. Schedule B-5b-- The company's official financial forecast, i.e., construction and operations budgets for the calendar year following the test period.

Official Forecast

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1993

Schedule B-5b
Page 1 of 1
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

The official forecast is provided on the following pages as an Attachment, pages 1 through 16.

Supporting Schedules:

Recap Schedules:

	1993		
	FRINTRA	REGANTRA	REGINTRA
(5000.0) Local Service	-6,722,592	-	-6,722,592
(5080.A) Network Access - Inter	-	-	-
(5080.B) Network Access - Intra	-927,466	-	-927,466
(5100.B) Long Distance - Inter	-	-	-
(5100.A) Long Distance - Intra	-1,139,135	-	-1,139,135
(52xx.x) Miscellaneous - Regulatory	-870,067	-	-870,067
(5300.A) Uncollectibles - Inter	-	-	-
(5300.B) Uncollectibles - Intra	130,122	-	130,122
TOTAL REVENUE ACCOUNTS	-9,529,138	-	-9,529,138
(6110.0) Network Support	14,808	-	14,808
(6120.0) General Support	464,098	-	464,098
(62xx.x) CO Equipment	521,338	-	521,338
(6310.0) Inf/Org/Trm	101,552	-	101,552
(6410.0) Cable & Wire	715,273	-	715,273
PLANT SPECIFIC EXPENSES	1,817,068	-	1,817,068
(6510.0) Other PPE	6,420	-	6,420
(6530.0) Network Operations	735,210	-	735,210
PLANT NON-SPECIFIC EXPENSES	741,630	-	741,630
(6610.0) Cust Oper - Marketing	340,343	-	340,343
(6620.0) Cust Oper - Services	947,301	-	947,301
(67xx.x) Corporate Operations	705,974	-	705,974
(6540.A) Access Expense - Inter	-	-	-
(6540.B) Access Expense - Intra	11,760	-	11,760
(6560.0) Depreciation and Amort	2,151,141	-	2,151,141
TOTAL EXPENSE ACCOUNTS	6,715,216	-	6,715,216
REVENUES LESS EXPENSES	-2,813,922	-	-2,813,922
(71xx.x) Other Oper. Inc/Exp (Net)	-606	-	-606
(7240.2) Gross Receipts Taxes	150,797	-	150,797
(724x.x) Other Taxes	328,348	-	328,348
OTHER OPERATING TAXES	479,145	-	479,145
OPERATING INCOME BEFORE INCOME TAX	-2,335,383	-	-2,335,383

	***** 1993 *****		
	FRINTRA	REGANTRA	REGINTRA
Operating Perm Diff Federal-TELOP	-73,489	-4,320	-77,809
Operating Temp Diff Federal-TELOP	-64,322	-	-64,322
Operating Perm Diff State Operating	-	-	-
Operating Temp Diff State Operating	294,089	-	294,089

SIT ADJUSTMENTS	156,278	-4,320	151,958

Oper Income Before Income Tax-TELOP	-2,335,383	-	-2,335,383
AFUDC - TELOP	-12,056	7,200	-4,856
(75xx.x) Interest Expenses - TELOP	429,940	-	429,940
SIT Adjustments	156,278	-4,320	151,958

State Taxable Income	-1,761,221	2,880	-1,758,341
State Apportioned SIT Rate	-	-	-
Additional SIT	-	-	-

(7230.0) Operating SIT - Current	116,134	-166	115,968
(7250.B) Operating SIT - Deferred	5,715	-	5,715

OPERATING STATE INCOME TAX	121,849	-166	121,683

Oper Income Before Income Tax	-2,335,383	-	-2,335,383
(7340.0) AFUDC	-12,056	7,200	-4,856
Operating SIT - Current	116,134	-166	115,968
(75xx.x) Interest Expenses	429,940	-	429,940
Operating Perm Diff Federal	-73,489	-4,320	-77,809
Operating Temp Diff Federal	-64,322	-	-64,322

Federal Taxable Income	-1,939,176	2,714	-1,936,462
Additional FIT	1,123	-	1,123
Superfund	3,218	-	3,218

(7220.0) Operating FIT - Current	681,699	-923	680,776
(7250.A) Operating FIT - Deferred	-66,248	-	-66,248

Gross Federal Income Taxes	615,451	-923	614,528
(7210.1) Operating ITC - Realized	-	-	-
(7210.2) Operating ITC - Amortized	-53,998	-	-53,998

OPERATING FEDERAL INCOME TAXES	561,453	-923	560,530

TOTAL OPERATING EXPENSES AND TAXES	7,865,001	6,112	7,871,113

	*****	1993	*****
	FRINTRA	REGANTRA	REGINTRA
(7370.1) Abandoned Projects	2,589	-	2,589
(7370.2) Contributions	10,218	-	10,218
(7370.3) Memberships	115	-	115
(7370.9) Trustee, Membership & PAC	9,048	-	9,048
(7370.A) Other Special Charges	2,555	-	2,555

NON-OPERATING SPECIAL CHARGES	24,525	-	24,525
(7310.0) Dividend Income	-	-	-
(7320.0) Interest Income	-898	-	-898
(7330.0) Income from Funds	-	-	-
(7340.0) AFUDC	-12,056	7,200	-4,856
(7350.0) Gain/Loss on Property	-	-	-
(7360.0) Other Non-Oper Income	-1,940	-	-1,940

NON-OPERATING OTHER INC/EXP	-14,895	7,200	-7,695
Non-Oper Perm Diff Federal - TELOP	2,622	-	2,622
Non-Oper Temp Diff Federal - TELOP	-	-	-
Non-Oper Perm Diff State	-	-	-
Non-Oper Perm Diff Federal	2,622	-	2,622
Non-Oper Temp Diff Federal	-	-	-
Non-Oper Temp Diff State	-	-	-

FIT ADJUSTMENTS	5,243	-	5,243
Non-Oper Special Charges	24,525	-	24,525
Non-Oper Other Inc/Exp	-14,895	7,200	-7,695
(7440.0) Non-Oper Other Taxes	-	-	-

Non-Oper Income Before Taxes	9,630	7,200	16,831
(7430.0) Non-Oper SIT - Current	-1,400	-	-1,400
(7450.B) Non-Oper SIT - Deferred	-	-	-
(7420.0) Non-Oper FIT - Current	-7,789	-	-7,789
(7450.A) Non-Oper FIT - Deferred	-	-	-
(7410.0) Non-Oper ITC - Amortized	-	-	-

TOTAL NON-OPERATING NET INCOME	442	7,200	7,642
MISCELLANEOUS INCOME ITEMS			
(6727.x) Research and Development	36,477	-	36,477
(7110.x) Income from Custom Work	-	-	-
(7130.x) Return from Non Reg	-	-	-
(7140.x) Foreign Exchg Gain/Loss	-	-	-
(7150.x) Land Artwork Gain/Loss	-	-	-
(7160.1) Other Operating Gains	-369	-	-369
(7160.2) Other Operating Losses	-237	-	-237

	***** 1993 *****		
	FRINTRA	REGANTRA	REGINTRA
Operating Income Before Income tax	-2,335,383	-	-2,335,383
Operating FIT	561,453	-923	560,530
Operating SIT	121,849	-166	121,683
NET OPERATING INCOME (NOI)	-1,652,081	-1,089	-1,653,170
ADJUSTMENTS			
Interest on Customer Deposits	-	7,436	7,436
(7340.0) AFUDC	-12,056	7,200	-4,856
(7310.0) Dividend Income	-	-	-
(7370.1) Abandoned Projects	2,589	-	2,589
(7370.2) Contributions	10,218	-	10,218
(7370.3) Memberships	115	-	115
(7360.3) BellCore Dividend	-	-3,296	-3,296
Interest Synchronization	-	-3,022	-3,022
Other Misc Adjustments	-	-50,852	-50,852
Total Pre-tax Income Adjustments	-3,956	-50,024	-53,981
FIT on Adjustments	-288	18,263	17,975
SIT on Adjustments	-52	3,283	3,231
NET ADJUSTMENTS TO NOI	-4,296	-28,478	-32,775
Net Operating Income	-1,652,081	-1,089	-1,653,170
Net Adjustments to NOI	-4,296	-28,478	-32,775
Less: (7340.0) AFUDC	-12,056	7,200	-4,856
NOI AFTER ADJS, BEFORE EXTRA0	-1,656,378	-29,567	-1,685,945

	***** 1993 *****		
	FRINTRA	REGANTRA	REGINTRA
TOTAL PLANT IN-SERVICE (2001.0)	28,754,504	-	28,754,504
(2002.0) Plant Held for Future Use	49	-	49
(2003.0) ST - Plant under Constr	171,316	-	171,316
(2004.0) LT - Plant under Constr	102,954	-	102,954
(2005.0) Plant Adjustment	3,298	-	3,298
(2006.0) Non-operating Plant	32,830	-	32,830
(2007.0) Goodwill	1,448	-	1,448
(1220.0) Materials and Supplies	213,743	-	213,743
TOTAL OTHER INVESTMENTS	525,637	-	525,637
(3100.0) Accum Depr - Plant	-11,648,592	--	-11,648,592
(3200.0) Accum Depr - Future Use	-99	-	-99
(3300.0) Accum Depr - Non-operating	-9,312	-	-9,312
(34xx.x) Accum Amort - Leases	-65,645	-	-65,645
(35xx.x) Accum Amort - Intangible	-133	-	-133
(36xx.x) Accum Amort - Other	-	-	-
(4100.x) Current Def Op Income Tax	10,991	-	10,991
(4320.x) Unamort Op ITC - Net	-438,626	-	-438,626
(4330.x) Unamort Nonop ITC - Net	-	-	-
(4340.x) Non-Cur Def Op Income Tax (excluding 4340.3000)	-2,791,829	-	-2,791,829
TOTAL DEDUCTIONS	-14,943,246	--	-14,943,246
NET INVESTMENT BEFORE ADJUSTMENTS	14,336,895	-	14,336,895
=====			
<u>MISCELLANEOUS BALANCE SHEET ITEMS</u>			
(1401.1) Invest in Affiliates	21,377	-	21,377
(1402.0) Invest in Non-Affiliates	-696	-	-696
(1410.1) Deferred Excess Pension	-	-	-
(1438.0) Deferred Maint/Retires	112,326	-	112,326
(1439.8) Deferred Equal Access Cost	2,232	-	2,232
(4040.0) Customers Deposits	-97,844	-	-97,844
(4120.4) Deferred Comp Absences	-197,008	-	-197,008
(4110.0) Non-Op Def FIT/SIT Current	-386	-	-386
(4310.1) Other LT Liabs - Pensions	-364,113	-	-364,113
(4350.x) Non-Op Def FIT/SIT Non-Cur	591	-	591
(4360.0) Other Deferred Credits	-107,577	-	-107,577
avg Cash Working Capital	-	24,838	24,838
avg Capitalized AFUDC	-	-	-
avg Other Rate Base Adjs	-	37,491	37,491
avg Comp Abs - Asset	-	37,016	37,016
NET RATE BASE ADJUSTMENTS	21,884	84,005	105,889
NET INVESTMENT AFTER ADJUSTMENTS	14,358,779	84,005	14,442,784
=====			

	***** 1993 *****		
	FRINTRA	REGANTRA	REGINTRA
Avg FR Combined Debt-TELOP	-	-	-7,083,594
Avg FR Combined Equity-TELOP	-	-	-11,265,190
TOT AVG FR COMBINED DEBT & EQ-TELOP	-	-	-18,348,784
Debt Ratio			0.382833
Equity Ratio			0.617167
FR Int Related to Capital - TELOP	542,530	542,530	542,530
Weighted Cost of Debt	-	-	0.773074
Net Investment After Adjustments			14,442,784
Debt portion of Net Inv aft Adjs			5,542,601
Equity portion of Net Inv aft Adjs	-	-	8,900,183
Rate Base (denominator)	6,295,945	-	11,330,748
NOI After Adjs, Before Extrao	-1,656,378	-29,567	-1,685,945
Debt portion of NOI aft adjs, bef Ex	-	-	-426,981
Equity portion of NOI aft adjs,befEx	-	-	-1,258,964
Rate Base Income, before Extrao	-718,871	-413	-1,445,120

	***** FRINTRA	1993 REGANTRA	***** REGINTRA
Non-ROR, Local Service	-	-	-
Non-ROR, Network Access-Inter	-	-	-
Non-ROR, Network Access-Intra	-	-	-
Non-ROR, Long Distance	-	-	-
Non-ROR, Misc Rev	-	-	-
Non-ROR, Other	-	115,280	115,280

EXTRAO NON-ROR (PRE-TAX)	-	115,280	115,280
Future Fixed, Local Service	-	-	-
Rev Transfer, Network Access-Inter	-	-	-
Future Fixed, Network Access-Intra	-	-	-
Future Fixed, Long Distance	-	-	-
Future Fixed, Misc Rev	-	-	-
Future Fixed, Other	-	-	-

EXTRAO FUT FXD OF RV TRS (PRE-TAX)	-	-	-
Not Accrued ROR, Local	-	-	-
Not Accrued ROR, Netwk Acc-Inter	-	-	-
Not Accrued ROR, Netwk Acc-Intra	-	-	-
Not Accrued ROR, Long Distance	-	-	-
Not Accrued ROR, Misc Rev	-	-	-
Not Accrued ROR, Other	-	16,103	68,812

EXTRAO NOT ACCRUED ROR (PRE-TAX)	-	16,103	68,812
TOTAL OF EXTRAO PRE-TAX AMOUNTS	-	131,383	184,092
FIT on Extrao Pre-Tax Amounts	-	-	-58,939
SIT on Extrao Pre-Tax Amounts	-	-	-10,742

NET INCOME IMPACT OF EXTRAO AMOUNTS	-	131,383	114,411
Pre-tax ROR Already Accrued	-	-	-
FIT on Already Accrued	-	-	-
SIT on Already Accrued	-	-	-

NET INCOME IMPACT OF ALREADY ACCRUED	-	-	-
Pre-tax Not Accrued ROR	-	16,103	68,812
Pre-tax ROR Already Accrued	-	-	-

Pre-Tax ROR Related Total	-	16,103	68,812
FIT on ROR	-	-	-22,001
SIT on ROR	-	-	-4,102

NET INCOME IMPACT OF ROR RELATED	-	16,103	42,709

	***** 1993 *****		
	FRINTRA	REGANTRA	REGINTRA
Max Pre-Sharing Return Allowed			
Begin Sharing Return			
Percent Customer Keeps			
Rate Base Income, before Extrao	-718,871	-413	-1,445,120
Rate Base (denominator)	6,295,945	-	11,330,748
Return before Extraordinary	11.4180	*	12.7540
Extrao Non-ROR (Pre-Tax)	-	115,280	115,280
FIT on Non-ROR	-	-	-36,938
SIT on Non-ROR	-	-	-6,640
NET INCOME IMPACT OF NON-ROR	-	115,280	71,703
Rate base Income, before Extrao	-718,871	-413	-1,445,120
RATE BASE INCOME WITH NON-ROR, ONLY	-	-	-1,373,418
Return with Non-ROR, only	-	-	111.9169
Pre-tax Future Fixed or Rev Transf	-	-	-
FIT on Future Fixed or Rev Transf	-	-	-
SIT on Future Fixed or Rev Transf	-	-	-
NI IMPACT FUTURE FIXED OR REV TRANSF	-	-	-
Rate Base Income with Non-ROR, only	-	-	-1,373,418
RATE BASE INC BEFORE ROR RELATED	-	-	-1,373,418
Return before ROR Related	-	-	111.9169
Pre-tax ROR Related Total	-	16,103	68,812
FIT on ROR Related	-	-	-22,001
SIT on ROR Related	-	-	-4,102
NI IMPACT OF ROR RELATED	-	16,103	42,709
Rate Base Inc before ROR Related	-	-	-1,373,418
RATE BASE INC AFTER ROR RELATED	-	-	-1,330,709
Return after ROR Related	-	-	107.1549
=====	=====	=====	=====

	***** FRINTRA	1993 REGANTRA	***** REGINTRA
(5000.0) Local Service	-1,554,981	-	-1,554,981
(5080.A) Network Access - Inter	.	.	.
(5080.B) Network Access - Intra	-314,410	-	-314,410
(5100.B) Long Distance - Inter	.	.	.
(5100.A) Long Distance - Intra	-343,444	-	-343,444
(52xx.x) Miscellaneous - Regulatory	-294,077	-	-294,077
(5300.A) Uncollectibles - Inter	.	.	.
(5300.B) Uncollectibles - Intra	40,795	-	40,795
TOTAL REVENUE ACCOUNTS	-2,466,117	-	-2,466,117
(6110.0) Network Support	3,434	-	3,434
(6120.0) General Support	112,363	-	112,363
(62xx.x) CO Equipment	117,720	-	117,720
(6310.0) Inf/Org/Trm	30,426	-	30,426
(6410.0) Cable & Wire	165,812	-	165,812
PLANT SPECIFIC EXPENSES	429,754	-	429,754
(6510.0) Other PPE	1,763	-	1,763
(6530.0) Network Operations	204,235	-	204,235
PLANT NON-SPECIFIC EXPENSES	205,998	-	205,998
(6610.0) Cust Oper - Marketing	80,989	-	80,989
(6620.0) Cust Oper - Services	278,122	-	278,122
(67xx.x) Corporate Operations	205,639	-	205,639
(6540.A) Access Expense - Inter	.	.	.
(6540.B) Access Expense - Intra	11,760	-	11,760
(6560.0) Depreciation and Amort	571,280	-	571,280
TOTAL EXPENSE ACCOUNTS	1,783,541	-	1,783,541
REVENUES LESS EXPENSES	-682,576	-	-682,576
(71xx.x) Other Oper. Inc/Exp (Net)	-91	-	-91
(7240.2) Gross Receipts Taxes	60,595	-	60,595
(724x.x) Other Taxes	80,331	-	80,331
OTHER OPERATING TAXES	140,926	-	140,926
OPERATING INCOME BEFORE INCOME TAX	-541,740	-	-541,740

	***** FRINTRA	1993 REGANTRA	***** REGINTRA
Operating Perm Diff Federal-TELOP	-73,489	-4,320	-77,809
Operating Temp Diff Federal-TELOP	-64,322	-	-64,322
Operating Perm Diff State Operating	-	-	-
Operating Temp Diff State Operating	310,361	-	310,361
SIT ADJUSTMENTS	172,550	-4,320	168,230
Oper Income Before Income Tax-TELOP	-2,335,383	-	-2,335,383
AFUDC - TELOP	-12,056	7,200	-4,856
(75xx.x) Interest Expenses - TELOP	429,940	-	429,940
SIT Adjustments	172,550	-4,320	168,230
State Taxable Income	-1,744,949	2,880	-1,742,069
State Apportioned SIT Rate	-	-	-
Additional SIT	-	-	-
(7230.0) Operating SIT - Current	24,027	-38	23,988
(7250.B) Operating SIT - Deferred	3,703	-	3,703
OPERATING STATE INCOME TAX	27,730	-38	27,692
Oper Income Before Income Tax	-541,740	-	-541,740
(7340.0) AFUDC	-1,115	1,115	-
Operating SIT - Current	24,027	-38	23,988
(75xx.x) Interest Expenses	104,790	-	104,790
Operating Perm Diff Federal	-17,416	-669	-18,085
Operating Temp Diff Federal	14,868	-	14,868
Federal Taxable Income	-416,587	408	-416,179
Additional FIT	277	-	277
Superfund	794	-	794
(7220.0) Operating FIT - Current	166,147	-139	166,008
(7250.A) Operating FIT - Deferred	-26,417	-	-26,417
Gross Federal Income Taxes	139,730	-139	139,591
(7210.1) Operating ITC - Realized	-	-	-
(7210.2) Operating ITC - Amortized	-14,647	-	-14,647
OPERATING FEDERAL INCOME TAXES	125,083	-139	124,945
TOTAL OPERATING EXPENSES AND TAXES	2,076,075	938	2,077,013

	***** 1993 *****		
	FRINTRA	REGANTRA	REGINTRA
(7370.1) Abandoned Projects	282	-	282
(7370.2) Contributions	2,375	-	2,375
(7370.3) Memberships	20	-	20
(7370.9) Trustee, Membership & PAC	2,112	-	2,112
(7370.A) Other Special Charges	1,018	-	1,018
NON-OPERATING SPECIAL CHARGES	5,807	-	5,807
(7310.0) Dividend Income	-	-	-
(7320.0) Interest Income	-218	-	-218
(7330.0) Income from Funds	-	-	-
(7340.0) AFUDC	-1,115	1,115	-
(7350.0) Gain/Loss on Property	-	-	-
(7360.0) Other Non-Oper Income	-471	-	-471
NON-OPERATING OTHER INC/EXP	-1,804	1,115	-689
Non-Oper Perm Diff Federal - TELOP	2,622	-	2,622
Non-Oper Temp Diff Federal - TELOP	-	-	-
Non-Oper Perm Diff State	-	-	-
Non-Oper Perm Diff Federal	611	-	611
Non-Oper Temp Diff federal	-	-	-
Non-Oper Temp Diff State	-	-	-
FIT ADJUSTMENTS	3,233	-	3,233
Non-Oper Special Charges	5,807	-	5,807
Non-Oper Other Inc/Exp	-1,804	1,115	-689
(7440.0) Non-Oper Other Taxes	-	-	-
Non-Oper Income Before Taxes	4,003	1,115	5,118
(7430.0) Non-Oper SIT - Current	-325	-	-325
(7450.B) Non-Oper SIT - Deferred	-	-	-
(7420.0) Non-Oper FIT - Current	-1,838	-	-1,838
(7450.A) Non-Oper FIT - Deferred	-	-	-
(7410.0) Non-Oper ITC - Amortized	-	-	-
TOTAL NON-OPERATING NET INCOME	1,841	1,115	2,956
MISCELLANEOUS INCOME ITEMS			
(6727.x) Research and Development	9,058	-	9,058
(7110.x) Income from Custom Work	-	-	-
(7130.x) Return from Non Reg	-	-	-
(7140.x) Foreign Exchg Gain/Loss	-	-	-
(7150.x) Land Artwork Gain/Loss	-	-	-
(7160.1) Other Operating Gains	-91	-	-91
(7160.2) Other Operating Losses	-	-	-

	*****	1993	*****
	FRINTRA	REGANTRA	REGINTRA
Operating Income Before Income Tax	-541,740	-	-541,740
Operating FIT	125,083	-139	124,945
Operating SIT	27,730	-38	27,692
	-----	-----	-----
NET OPERATING INCOME (NOI)	-388,927	-177	-389,104
ADJUSTMENTS			
Interest on Customer Deposits	-	3,521	3,521
(7340.0) AFUDC	-1,115	1,115	-
(7310.0) Dividend Income	-	-	-
(7370.1) Abandoned Projects	282	-	282
(7370.2) Contributions	2,375	-	2,375
(7370.3) Memberships	20	-	20
(7360.3) BellCore Dividend	-	-792	-792
Interest Synchronization	-	-	-
Other Misc Adjustments	-	-1,189	-1,189
	-----	-----	-----
Total Pre-tax Income Adjustments	282	1,540	1,822
FIT on Adjustments	-91	635	544
SIT on Adjustments	-16	114	98
	-----	-----	-----
NET ADJUSTMENTS TO NOI	176	2,289	2,464
	-----	-----	-----
Net Operating Income	-388,927	-177	-389,104
Net Adjustments to NOI	176	2,289	2,464
Less: (7340.0) AFUDC	-1,115	1,115	-
	-----	-----	-----
NOI AFTER ADJS, BEFORE EXTRA0	-388,751	2,112	-386,640
	=====	=====	=====

	*****	1993	*****
	FRINTRA	REGANTRA	REGINTRA
TOTAL PLANT IN-SERVICE (2001.0)	7,135,089	-	7,135,089
(2002.0) Plant Held for Future Use	179	-	179
(2003.0) ST - Plant under Constr	34,223	-	34,223
(2004.0) LT - Plant under Constr	26,436	-	26,436
(2005.0) Plant Adjustment	-	-	-
(2006.0) Non-operating Plant	10,087	-	10,087
(2007.0) Goodwill	-	-	-
(1220.0) Materials and Supplies	52,647	-	52,647
TOTAL OTHER INVESTMENTS	123,572	-	123,572
(3100.0) Accum Depr - Plant	-3,037,622	-	-3,037,622
(3200.0) Accum Depr - Future Use	-	-	-
(3300.0) Accum Depr - Non-operating	-4,831	-	-4,831
(34xx.x) Accum Amort - Leases	-10,533	-	-10,533
(35xx.x) Accum Amort - Intangible	-	-	-
(36xx.x) Accum Amort - Other	-	-	-
(4100.x) Current Def Op Income Tax	3,416	-	3,416
(4320.x) Unamort Op ITC - Net	-115,856	-	-115,856
(4330.x) Unamort Nonop ITC - Net	-	-	-
(4340.x) Non-Cur Def Op Income Tax (excluding 4340.3000)	-701,547	-	-701,547
TOTAL DEDUCTIONS	-3,866,973	-	-3,866,973
NET INVESTMENT BEFORE ADJUSTMENTS	3,391,688	-	3,391,688
<u>MISCELLANEOUS BALANCE SHEET ITEMS</u>			
(1401.1) Invest in Affiliates	5,143	-	5,143
(1402.0) Invest in Non-Affiliates	-2,028	-	-2,028
(1410.1) Deferred Excess Pension	-	-	-
(1438.0) Deferred Maint/Retires	46,313	-	46,313
(1439.8) Deferred Equal Access Cost	-	-	-
(4040.0) Customers Deposits	-42,770	-	-42,770
(4120.4) Deferred Comp Absences	-46,427	-	-46,427
(4110.0) Non-Op Def FIT/SIT Current	-204	-	-204
(4310.1) Other LT Liabs - Pensions	-85,076	-	-85,076
(4350.x) Non-Op Def FIT/SIT Non-Cur	72	-	72
(4360.0) Other Deferred Credits	-26,472	-	-26,472
Avg Cash Working Capital	-	-	-
Avg Capitalized AFUDC	-	-	-
Avg Other Rate Base Adjs	-	30,039	30,039
Avg Comp Abs - Asset	-	21,676	21,676
NET RATE BASE ADJUSTMENTS	-84,966	51,715	-33,251
NET INVESTMENT AFTER ADJUSTMENTS	3,306,721	51,715	3,358,436

	***** 1993 *****		
	FRINTRA	REGANTRA	REGINTRA
Avg FR Combined Debt-TELOP	-	-	-7,083,594
Avg FR Combined Equity-TELOP	-	-	-11,265,190
TOT AVG FR COMBINED DEBT & EQ-TELOP	-	-	-18,348,784
Debt Ratio			0.386053
Equity Ratio			0.613947
FR Int Related to Capital - TELOP	542,530	542,530	542,530
Weighted Cost of Debt	-	-	0.076590
Net Investment After Adjustments			3,358,436
Debt portion of Net Inv aft Adjs			1,296,533
Equity portion of Net Inv aft Adjs	-	-	2,061,904
Rate Base (denominator)	-	-	2,061,904
NOI After Adjs, Before Extrao	-388,751	2,112	-386,640
Debt portion of NOI aft adjs, bef Ex	-	-	-99,301
Equity portion of NOI aft adjs,befEx	-	-	-287,339
Rate Base Income, before Extrao	-	-	-287,339
	=====	=====	=====

	***** 1993 *****		
	FRINTRA	REGANTRA	REGINTRA
Non-ROR, Local Service	-	-	-
Non-ROR, Network Access-Inter	-	-	-
Non-ROR, Network Access-Intra	-	-	-
Non-ROR, Long Distance	-	-	-
Non-ROR, Misc Rev	-	-	-
Non-ROR, Other	-	73,000	73,000
-----	-----	-----	-----
EXTRAO NON-ROR (PRE-TAX)	-	73,000	73,000
Future Fixed, Local Service	-	-	-
Rev Transfer, Network Access-Inter	-	-	-
Future Fixed, Network Access-Intra	-	-	-
Future Fixed, Long Distance	-	-	-
Future Fixed, Misc Rev	-	-	-
Future Fixed, Other	-	-	-
-----	-----	-----	-----
EXTRAO FUT FXD OF RV TRS (PRE-TAX)	-	-	-
Not Accrued ROR, Local	-	-	-
Not Accrued ROR, Netwk Acc-Inter	-	-	-
Not Accrued ROR, Netwk Acc-Intra	-	-	-
Not Accrued ROR, Long Distance	-	-	-
Not Accrued ROR, Misc Rev	-	-	-
Not Accrued ROR, Other	-	-	-
-----	-----	-----	-----
EXTRAO NOT ACCRUED ROR (PRE-TAX)	-	-	-
-----	-----	-----	-----
TOTAL OF EXTRAO PRE-TAX AMOUNTS	-	73,000	73,000
FIT on Extrao Pre-Tax Amounts	-	-	-23,973
SIT on Extrao Pre-Tax Amounts	-	-	-2,492
-----	-----	-----	-----
NET INCOME IMPACT OF EXTRAO AMOUNTS	-	73,000	46,535
Pre-tax ROR Already Accrued	-	-	-
FIT on Already Accrued	-	-	-
SIT on Already Accrued	-	-	-
-----	-----	-----	-----
NET INCOME IMPACT OF ALREADY ACCRUED	-	-	-
Pre-tax Not Accrued ROR	-	-	-
Pre-tax ROR Already Accrued	-	-	-
-----	-----	-----	-----
Pre-Tax ROR Related Total	-	-	-
FIT on ROR	-	-	324
SIT on ROR	-	-	-952
-----	-----	-----	-----
NI IMPACT OF ROR RELATED	-	-	-628

	***** 1993 *****		
	FRINTRA	REGANTRA	REGINTRA
Max Pre-Sharing Return Allowed	-	18.00	18.00
Begin Sharing Return	-	14.00	14.00
Percent Customer Keeps	-	50.00	50.00
Rate Base Income, before Extrao	-	-	-287,339
Rate Base (denominator)	-	-	2,061,904
Return before Extraordinary	-	-	13.9356
Extrao Non-ROR (Pre-Tax)	-	73,000	73,000
FIT on Non-ROR	-	-	-24,296
SIT on Non-ROR	-	-	-1,540

NET INCOME IMPACT OF NON-ROR	-	73,000	47,163
Rate base Income, before Extrao	-	-	-287,339

RATE BASE INCOME WITH NON-ROR, ONLY	-	-	-240,175
Return with Non-ROR, only	-	-	11.6482
Pre-tax Future Fixed or Rev Transf	-	-	-
FIT on Future Fixed or Rev Transf	-	-	-
SIT on Future Fixed or Rev Transf	-	-	-

NI IMPACT FUTURE FIXED OR REV TRANSF	-	-	-
Rate Base Income with Non-ROR, only	-	-	-240,175

RATE BASE INC BEFORE ROR RELATED	-	-	-240,175
Return before ROR Related	-	-	11.6482
Pre-tax ROR Related Total	-	-	-
FIT on ROR Related	-	-	324
SIT on ROR Related	-	-	-952

NI IMPACT OF ROR RELATED	-	-	-628
Rate Base Inc before ROR Related	-	-	-240,175

RATE BASE INC AFTER ROR RELATED	-	-	-240,803
Return after ROR Related	-	-	11.6787
=====			

BellSouth Telecommunications, Inc
Budget Process Overview

Rules Of The Florida Public Service Commission

Rule 25-4.141(2)(B):

"A full description of supporting forecast information and methodology including detailed input data requirements, sources of input and equations employed.

BellSouth Telecommunications Budgeting Overview

I. Introduction

II. The Budget Process

- A. View Initiation
- B. Budget Call Letter
 - 1. Schedule
 - 2. Budget Accountability Guidelines
 - 3. Financial Planning Assumptions
 - 4. Data Input Requirements
- C. Budget Generation / Creation
 - 1. Revenues
 - 2. Departmental Items
 - 3. Corporate Items
 - 4. Part 64 (Nonregulated Items)
 - 5. Construction and Capital
 - 6. Depreciation Expense and Reserves
 - 7. Jurisdictional Differences
- D. Data Collection via RTAP
- E. Post Collection Processing
- F. Analysis and Review
- G. Executive Review and Approval
- H. Post Approval Distribution

III. Budget Tracking

IV. Timeline

BellSouth Telecommunications, Inc
Budget Process Overview

I. Introduction

This document describes the development of budget data by BellSouth Telecommunications, Inc., (dba in Florida as Southern Bell) supporting the 1993 Commitment View used as the test year in this set of Minimum Filing Requirements. It demonstrates an orderly, integrated process which uses current economic and demand forecasts to project expense levels, construction requirements and related tax impacts.

The budget was built using Federal Communications Commission (FCC) Part 32 Uniform System Of Accounts (USOA) as the basis for account classification and relationships based on FCC Part 64 methodology for identification of unregulated data.

II. The Corporate Budget Process

A. View Initiation

The decision to prepare a new financial forecast is made by BellSouth Corporation (BSC). Receipt of the BellSouth Corporation budget call letter and financial planning assumptions initiates the budget process.

B. Budget Call Letter

BellSouth Telecommunications begins the process by distributing to all budget contacts a Budget Call Letter [Attachment 1] which includes:

1. Budget Schedule

A listing of milestone and collection dates.

2. Budget Accountability Guidelines

Detail on an account basis indicating which organization has budgeting responsibility.

3. Financial Planning Assumptions

Issued by BellSouth Corporation and provide the economic framework upon which the view is built and include such items as measures of economic activity, postage rate estimates, and state, local and federal income tax assumptions.

BellSouth Telecommunications, Inc
Budget Process Overview

4. Data Requirements

Define the level of input, breadth and scope for each data input item. This includes subsidiary requirements in addition to responsibility, function, account and expenditure type.

C. Budget Generation / Creation

The fundamental process begins with the formulation of strategic objectives undergirded by both quality and service as basic drivers of expense levels. The strategic objectives are combined with economic and demand assumptions to create the revenue, expense and construction forecasts.

1. Revenues

Revenues are made up of several types which are each budgeted differently.

a. Interstate Revenues

Interstate Revenues are budgeted using rates filed with the FCC and subject to price-cap limitations. The budget utilizes forecasted interstate revenues along with costs separated and allocated to access based on simplified relationships derived from FCC Part 36 and Part 69 rules to determine Interstate shared revenues.

b. Intrastate Revenues

Intrastate revenues include those from local residential and business service (recurring and non-recurring), directory assistance, and public (coin) telephone.

These revenues are budgeted using various methods and criteria including product specific estimates, forecasts of access lines and other economic indicators.

BellSouth Telecommunications, Inc
Budget Process Overview

c. Non-regulated Revenues

The principle non-regulated sources of revenue are MemoryCall_{sm} Service and Inside Wiring. Revenue Forecasting prepares the forecast of these revenues using historical, economic and demand data.

2. Departmental Expense

Budgets are created by the entity that has been, or will be generating the expenditure; e.g. the Marketing organization budgets Marketing expenditures and Network budgets Network expenditures.

The departments use various methods and procedures in arriving at their calculations including mechanized and manual spreadsheets, financial planning models, statistical research and mathematical forecasting.

Inter-organizational impacts are shared verbally between budget entities to create an integrated budget. All of the various departmental and organizational budgets are collected and summed together. This aggregation becomes the starting point for further calculations that will lead to the final budget.

3. Corporate Items

Certain items are calculated at the corporate level because of their dependency on aggregated financial data for calculation. These include items such as short and long term debt and interest expense which are dependent upon the financing assumptions which support the total budget.

4. Part 64 (Nonregulated Expenses)

Nonregulated costs for common resources are apportioned between regulated and nonregulated activities based on relationships derived from the [FCC] Part 64 costing principles, procedures and methodologies contained in the most recently revised BellSouth Cost Allocation Manual (CAM) on file with the FCC.

BellSouth Telecommunications, Inc
Budget Process Overview

5. Construction and Capital

The budget for construction and capital utilizes many of the same economic indicators as the expense budget. The process of creating the capital budget involves the review of market demand forecasts by wire center, the consideration of quality and service objectives and the integration of strategies for capital deployment.

Much of the capital budget is comprised of anticipated projects which must meet certain economic and engineering design standards in order to be considered. The actual generation of budgeted amounts occurs using several mechanized systems that review capacity and demand to ensure the optimum level of expenditure.

Note:

For calculation of investment and depreciation reserve balances in the Minimum Filing Requirements, the actual 1993 beginning of period balances were used as the starting point. The construction forecast was then used on a month by month basis to calculate the appropriate forecasted investment balances and depreciation expense for 1993. Salvage and retirements were used to calculate depreciation reserve balances for 1993.

6. Depreciation Expense and Reserves

Depreciation Expense is based on current and projected investment data, depreciation rates, reserve balances, and salvage percents. Total Depreciation Expense also includes current and projected amortizations where they exist.

Note:

For calculation of depreciation expense related reserve balances, the company used the authorized rates approved by the Florida PSC in it's Order No. PSC-93-0462-FOF-TL dated March 25, 1993. The rates were applied to the appropriate investment balances as calculated through procedures described above.

BellSouth Telecommunications, Inc
Budget Process Overview

7. Jurisdictional Differences

Jurisdictional differences are calculated on an issue by issue basis and input to the budget at the corporate level.

D. Data Collection

Budget data is input by the departments into the Resource Tracking Analysis and Planning (RTAP) system. This system consists of computer hardware and software which allows for budget data to be input by various levels of departmental, functional and expenditure type detail. Control of the process is maintained through various means including password protection and view/version collection which is limited to the system administrator. Once input, budgets may be tracked at various levels of detail.

The system includes capabilities that allow for budgets to be built offline by a user and then uploaded into the system when complete. As well, historical and budgeted data may be downloaded from the system to a user for analysis.

E. Post Collection Processing

After the budget has been collected, additional calculations are made on the aggregated data. These include:

1. State and Federal Income Taxes
2. Intrastate / Interstate Separations

The data is separated into Interstate and Intrastate using FCC Part 36 rules for the calculation of Interstate and Intrastate cost. Adjustments for jurisdictional specific incentive plans and the price cap plan are made at this time to determine earnings and returns.

3. Interest Expense

The combined balance sheet and underlying financing and debt determine the interest expense.

BellSouth Telecommunications, Inc
Budget Process Overview

F. Analysis and Review

Throughout the process the Headquarters Financial Analysis group reviews the budgeted levels with each state to ensure consistency with assumptions and going rates. This analysis is performed using several techniques including going rate, budget calculation review, pro-forma and detailed issue review. This continuous process reduces enhances the value of the budget at each step of the process.

G. Executive Review and Approval

The BST State Presidents meet with the BST President to review and negotiate their expense, revenue and return commitments.

The final step in the approval process takes place when the President of BST meets with the Chairman of BellSouth Corporation. The result of this meeting is the approved Commitment Budget.

H. Post Approval Distribution

Details of the approved budget are distributed and made available in the RTAP mechanized system. Also, an Executive Overview is prepared as the official distribution of the Commitment Budget.

III. Budget Tracking

The approved budget becomes the basis for financial tracking during the year. The Headquarters Financial Analysis Group reviews monthly deviations and communicates with the departments to determine the cause and impact of significant deviations from budget.

IV. Timeline

The view process begins with the call letter being released in March and continues with budget collection in September and final approval in December.

December 3, 1992

TO: BellSouth Telecommunications Budget Staffs
Recipients Of Budget Guidelines

FROM: Jack E. Beals, Operations Manager, Corp. Budget Administration

SUBJECT: Guidelines For Preparing the Tracking View of 1993

This letter transmits updated budget assumptions and guidelines for use with the Tracking View of 1993 - 1995.

The attached documents should be used in conjunction with the Guidelines previously released on May 28, and June 23, 1992. Issue dates and changes are indicated on the attached Index to the Guidelines.

Expense and revenue levels have been communicated to each budget input entity by Revenue and Expense Management.

New Headquarters Prorate Factors were loaded into RTAP on December 1, 1992. All budget data must be reinput in order to be recalculated using new factors.

Questions concerning a particular aspect of the guidelines should be directed to the Subject Matter Expert listed on the Index. Should you have any other questions, please do not hesitate to call me (404-529-7273) or Dale Bennett (404-529-6969).

Jack E. Beals

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993 - 1995

Index

<u>Section</u>	<u>Last Update</u>	<u>Contact</u>	
1. Budget Accountability Guidelines	6/30/92	J. G. Johnson	Telop
2. Budget Call/Guidelines Letter	12/3/92	J. E. Beals	All
3. Data Input Strategies	12/3/92	D. F. Hutcherson	Telop
4. Data Requirements - Subsidiaries			
A. Income Statement	7/7/92	D. R. Thomas	Subs
B. Balance Sheet	7/7/92	D. R. Thomas	Subs
C. Manual Data	6/30/92	S. B. Fitzgerald	Subs
D. Other Data	12/3/92	D. R. Thomas	Subs
5. Data Requirements - Telephone Operations			
A. Income Statement	12/3/92	G. C. Jen	Telop
B. Balance Sheet		D. R. Thomas	Telop
C. Non-regulated	12/3/92	G. C. Jen	Telop
D. Manual Data	12/3/92	S. B. Fitzgerald	Telop
6. Distribution List	12/3/92	J. K. Daniel	All
7. Financial Planning Assumptions	4/8/92	A. P. Jackson	All
8. Salary & Wage Profile	4/9/92	A. P. Jackson	Groups
9. Schedule			
A. BST - Key Planning & Budget	3/10/92	C. Espey	All
B. Budget Schedule - Working Level	12/3/92	D. C. Bennett	All
Index Reissue	12/3/92	D. C. Bennett	

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993 - 1995

Notes

Distribution Definitions

SUBS: BSP and BBS (including BCI, BCS, DataServ, BellSouth Financial)

TELOP:

Groups	Departmental Expense Groups, i.e. Exec, Mktg, Ntwk...
Rev	Revenue Forecasting
States	State Comptrollers and Executive

Common Acronyms

BBS	BellSouth Business Systems
BSCI	BellSouth Communications, Inc.
BSC	BellSouth Corporation (HQ)
BSP	BellSouth Products
BST	BellSouth Telecommunications, Inc.
CBA	Corporate Budget Administration District
EPC	Executive Planning Council
FA&B	Financial Analysis and Budget District
FCC	Federal Communications Commission
FM/A	Financial Management / Analysis
FSPC	Financial Services Planning Council
GAAP	Generally Accepted Accounting Principles
JD's	Jurisdictional Differences
PB&T	Pensions, Benefits & Payroll Taxes
PSC	Public Service Commission
R&EM	Revenue and Expense Management District
RTAP	Resource Tracking Analysis and Planning System

Guidelines for Preparing
the Tracking View of 1993-1995

1. Budget Accountability Guidelines

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993-95

3. INPUT STRATEGIES FOR TELOP INCOME STATEMENT AND EMPLOYEE DATA FOR 1992-1995

A. General Information.

CBA will collect two RTAP View Versions from each segment or direct reporting organization. The organizations to be included in these views are:

Network-	<u>All</u> organizations reporting to Mr. Ferguson
Marketing-	<u>All</u> organizations reporting to Mr. Drummond
Regulatory-	<u>All</u> organizations reporting to Mr. Baker, including the state presidents
Services-	<u>All</u> organizations reporting to Mr. Sessoms plus Comptrollers (including Treasury and FM/A), and Quality
Executive-	<u>All</u> organizations reporting to Mr. Groce plus Mr. Ackerman and Mr. Skinner
Legal-	<u>All</u> organizations reporting to Mr. Fitzgerald
Auditing-	<u>All</u> BST organizations reporting to Mr. Jarvis
Corporate-	<u>All</u> Corporate RC entries including FR Adjustments
Revenue-	<u>All</u> revenue entries for all states

B. RTAP.

RTAP is the only vehicle available for submitting budget data to CBA.

Create control records with a base year of 1993 and budget years of 1993, 94, and 95. Data for 1993 must be monthly and 1994 and 1995 must be annual.

The level of detail for the segment views should be no higher than 3-2-3 (AVP, FSUB, and ETG) and should reflect the minimum requirements as stated elsewhere in these guidelines.

C. Prorates.

With Release 2.0, RTAP will have the ability to perform nine state headquarters prorates. Soon after Release 2.0 is available, CBA will build and release the budget prorate table. At that time, any record entered into RTAP with an RJ of PR will automatically be prorated to the nine states.

Contact either Debbie Hutcherson, (404) 529-0696 or Lucille O'Hara, (404) 529-6644 for further information on the prorate table.

D. CBA Processing.

On the date of budget collection, the segments will provide their budget view versions to CBA, Lucille O'Hara 404 529-6644, or Debbie Hutcherson (404) 529-0696. These views will be select merged into corporate views for R&EM and CBA analysis.

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993-95

3. INPUT STRATEGIES FOR TELOP INCOME STATEMENT AND EMPLOYEE DATA FOR 1993-1995

Initially, this analysis will be to determine that the total FCAT 2, FCAT 5, and force for each segment matches the levels previously agreed to between R&EM and the segment. Should there be a discrepancy, the segment will have to make the adjustments necessary to bring their view to the agreed upon levels.

Once the levels of the segment views have been verified, CBA will select merge these views into a Corporate View (C1). CBA will verify that the levels in the Corporate View reconcile back to the segment views. After this reconciliation, the Corporate View will be made available to segments, state budget analyst, R&EM, and CBA.

GUIDELINES FOR PREPARING THE OCTOBER 9, 1992 PLANNING VIEW OF 1992 - 95

4A, 4B and 4C. DATA REQUIREMENTS - BBS AND BSP SUBSIDIARIES

A. GENERAL

Due Date: Before noon, EST, Thursday,
September 3, 1992, to Esther Meadows (CBA).

Dollar amounts are to be expressed in thousands (\$ 000's).

Data for 1992 and 1993 must be monthly, and data for 1994 and 1995 in annual amounts only.

B. BUDGET CATEGORIES

The income statement and balance sheet categories MUST be budgeted at the Consolidated Trial Balance (CTB) level, and should not be at a "summary" CTB level. See the attached examples; summary CTB's are indicated with asterisks (*).

NOTE: In order to make calculations required for this budget and transmission to BSCorp, individual CTB categories are being used--NOT the "budget CTB's" used by BSE in prior years.

See BellSouth Accounting Manual, Vol. II, Sec. 1 (issue date: 4/1/92) for a complete listing of CTB's. Only those CTB's found on pages 1 - 20 of this Manual which are needed for your budget will be required (statistics and ratios will not be required at this time).

C. ENTITIES

Budgets are required for the following entities:

BSCI	BellSouth Communications, Inc.
BCS	BellSouth Communications Systems, Inc.
DSI	Dataserv, Inc.
FINS	BellSouth Financial Services
BBS	BellSouth Business Systems (Headquarters)
ZBBS	BBS Eliminations
ABBS	BellSouth Business Systemes, Inc., Consolidated
BSP	BellSouth Products, Inc.

D. BUDGET DATA FORMAT

The general layout will require COLUMN headings as follows:

1/1/92 BOP Balance (will be blank for income
statement categories)
Activity by months for 1992 and 1993
Annual activity for 1994 and 1995

More specifically, the file should be formatted using CTB categories as row descriptors, and the following as column headings:

COL	DESCRIPTION
1	Entity name (see paragraph C.)
2	CTB Category (6-digit numeric)
3	1/1/92 BOP Balance (N/A for income statement data)
4 - 15	1992 monthly activity
16	1992 total annual activity: formula preferred
17 - 28	1993 monthly activity
29	1993 total annual activity: formula preferred
30	1994 annual activity
31	1995 annual activity

NOTE: 1992 activity for January - May should contain actual activity.

E. INTER-COMPANY TRANSACTIONS

If inter-company transactions are deemed to be material, these CTB's should be used:

Revenue	454000
Expense	455000; 461000
Receivables	411000
Notes Rec from Affil.	412000
Payables	421000
Advances from BSCorp	422000
Notes Payable to Affil.	422000

The resulting inter-company transactions of ABBS (BBS-Consol.) will be assumed to be related to activities with BST-Telephone Operations, unless specifically communicated outside of this budget file--either by E-mail or phone.

For BCI Billing to TELOP, the guideline we will use is that the BBS inter-company receivable should be equal to two-months' inter-company revenue. THE BCI BILLING FORECAST SHOULD BE COMMUNICATED TO Richard Sandefur, R&EM. ON OR BEFORE AUGUST 3.

F. ADDITIONAL DATA (RATIOS AND STATISTICS)

It is our intention that all of the required information of a statistical nature can be calculated for each subsidiary based upon the CTB budget data provided. If, however, additional data is needed, we will communicate that request as the need arises.

G. EMPLOYEE DATA (BBS Only)

For each entity, the data required is end-of-period--including the 12/31/91 actual headcounts, to be input in column 3 (BOP).

The appropriate CTB's:

EOP MNGT EMPL	740020
EOP NONMNGT EMPL	740040

H. FINAL FINANCIAL STATEMENTS

In addition to the data files described above, please submit (FAX or MAIL) a copy of the final income statement and balance sheet for each entity and BBS-Consolidated to be used as "check-figures" and for internal BST discussions.

REPORT A9005R1A

BST CONSOLIDATED
CONSOLIDATED TRIAL BALANCE
MAY 92

REPORT PERIOD:

NOTE: * System Subtotal Account

*Example
(Balance Sheet)*

ACCOUNT NUMBER	CTB DESCRIPTION (30 CHARACTERS)
111000	CASH & EQUIVALENTS
111052	CASH & CASH EQUIV NON US
*112000	TEMPORARY CASH INVESTMENT
112100	MARKETABLE EQUITY SECURITIES
112195	VALUATION ALLOWANCE LCM
112200	MARKETABLE SECURITIES
*113000	A/R TRADE, NET
113100	ACCOUNTS RECEIVABLE TRADE
113152	ACCOUNTS TRADE NON US
113995	A/R-ALLOW FOR DOUBTFUL ACCTS
*114000	NOTES RECEIVABLE
114100	NOTES RECEIVABLE TRADE
114200	NOTES RECEIVABLE OTHER
114995	M/R ALLOW FOR DOUBTFUL ACCTS
*119000	TOTAL OTHER RECEIVABLES
119052	FC HEDGE CONTRACT RECEIVABLE
119095	SWAP CONTRACT PAYABLE
119100	INTEREST RECEIVABLES
119200	DIV REC EQ METHOD INVESTEE
119300	DIV REC MRKTBL EQ SEC
119400	ACCOUNTS REC-EMPLOYEES
119500	A/R NONCONS AFFILIATES
119990	OTHER MISCELLANEOUS REC
119995	ALLOW FOR DOUBTFUL REC
120000	RAW MATERIALS & SUPPLIES
*121000	TOTAL WORK IN PROGRESS
121100	WORK IN PROGRESS
121200	WIP UNCOMPLETED CONTRACTS
121295	CONTRA: BLDGS OF UNCOMPL CONTR
122000	FINISHED FOODS
123000	OTHER INVENTORIES
*129000	INVENTORY RESERVES
129100	RESERVE FOR LIFO
129200	RESERVE TO REDUCE LCM
129900	OTHER RESERVES
*130000	PREPAID EXPENSE
130100	FASB 87 PREPAID PENSION EXP
130200	DIRECTORY PRODUCT COST
130990	PREPAID EXPENSES
131000	PREPAID TAX OTHR-OTHR THAN INC
132000	DEPOSITS
139000	OTHER CURRENT ASSETS

REPORT A9005R1A

BST CONSOLIDATED
CONSOLIDATED TRIAL BALANCE
MAY 92

REPORT PERIOD:

NOTE: * System Subtotal Account

*Example
(Income Statement)*

ACCOUNT NUMBER	CTB DESCRIPTION (30 CHARACTERS)
* 513000	TOTAL ACC CHRGS, INTRASTATE
513100	INTRASTATE ACCESS END
* 513200	INTRASTATE ACC INTRX SUB
513210	INTRAST ACC INTEREX CMN LINE
513220	INTRAST ACC INTEREX TRFC SEMS
513230	INTRAST ACC INTEREX SPC ACCESS
513240	INTRAST ACC INTEREX DRCTRY AST
513290	INTRAST ACC INTEREX OTH ACCESS
* 514000	TOT LNG DIST MESSG TOLLS
514100	MESSAGE TOLLS BUSINESS
514200	MESSAGE TOLLS RESIDENCE
514300	MESSAGE TOLLS PUBLIC
514990	MESSAGE TOLLS OTHER
* 515000	TOT LONG DIST NETWORK
515100	WATS
515200	PRIVATE LINE
515990	OTHER LONG DISTANCE
* 519000	TOT MISC OPERATING REV
519100	DIRECTORY PUBLISHING FEES
519200	CELLULAR REVENUE
519300	RENT REVENUES
* 519400	BILLING/COLLECTION-SUB
519410	BILLING & COLLECTION INTERST
519420	BILLING & COLLECTION INTRAST
519990	OTHER MISCELLANEOUS OPER REV
520000	EXTERNAL INCOME FROM RENTALS
520052	EXT INC FROM RENTALS NON US
520200	RENTAL INCOME FR WIRELESS COMM
*530000	REVENUE FROM SERVICES
530052	EXT REV FROM SERVICES NON US
530100	EXTRNL INT INC-FINANCIAL SVCS
530200	EXTRNL OTHR OPER REV-FINCL SVCS
530300	SERVICE REV FR WIRELESS COMM
530400	SERV REV FROM DIR AD & PUBLISH
530990	EXTRNL OTHER SERVICE REVENUE
540000	EXTERNAL OTHER REVENUES
540052	EXT OTHER REVENUES NON US
540200	OTHER REVENUES FR WIRELESS COM
540300	OTHER REVENUES FR DIR AD & PUB
*545000	SALES DISC ALLOW AND RETURNS
545100	EXT PRO SLS DISC, ALLWS RTRNS
545110	WIRELESS COMM PROO DISC & RET
545120	DIR AD & PUB PROO DISC & RET
545200	UTILITY SLS DISC, ALLWS, RTRNS
545300	RENTAL DISC, ALLWS, RTRNS
545310	WIRELESS RENTAL DISC & RETURNS
545400	SERVICE DISC, ALLWS, RTRNS
545410	WIRELESS COMM SERV DISC & RET

December 3, 1992

... without written agreement

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993-95

4D. DATA REQUIREMENTS - BBS AND BSP SUBSIDIARIES

A. GENERAL

Dollar amounts are to be expressed in whole dollars.

Data for 1993 must be monthly, and data for 1994 and 1995 in annual amounts only.

B. BUDGET CATEGORIES

The income statement and balance sheet categories MUST be budgeted at the Consolidated Trial Balance (CTB) level, and should not be at a "summary" CTB level.

See BellSouth Accounting Manual, Vol. II, Sec. 1 (issue date: 4/1/92) for a complete listing of CTB's.

C. ENTITIES

Budgets are required for the following entities:

BSCI	BellSouth Communications, Inc.
BCS	BellSouth Communications Systems, Inc.
DSI	Dataserv, Inc.
FINS	BellSouth Financial Services
BBS	BellSouth Business Systems (Headquarters)
ZBBS	BBS Eliminations
ABBS	BellSouth Business Systems, Inc., Consolidated
BSP	BellSouth Products, Inc.

D. BUDGET DATA FORMAT

This information has previously been communicated to BSP budget coordinators, including budget data for income statement, balance sheet, employee and other miscellaneous data.

E. EMPLOYEE DATA (BBS only)

The appropriate CTB's:

EOP MNGT EMPL	740020
EOP NONMNGT EMPL	740040

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993-95

4D. DATA REQUIREMENTS - BBS AND BSP SUBSIDIARIES

F. FINAL FINANCIAL STATEMENTS

In addition to the data files described above, please submit (FAX or MAIL) a copy of the final income statement and balance sheet for each entity and BBS-Consolidated to be used as "check-figures" and for internal BST discussions.

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993-95

5A. DATA REQUIREMENTS - TELEPHONE OPERATIONS - INCOME STATEMENTS

A. Purpose

The primary purpose of the Tracking View of 1993-1995 is to provide a financial assessment of current operational and strategic plans at the level of detail required for "Commitment Budget Tracking".

NOTE: THESE DATA REQUIREMENTS SPECIFY THE MINIMUM LEVEL OF DETAIL REQUIRED, AND THEREFORE DEFINE THE LOWEST LEVEL OF DETAIL REQUIRED FOR TOTAL TELEPHONE OPERATIONS ANALYSIS. MORE DETAIL MAY BE PROVIDED AS NECESSARY FOR EACH DEPARTMENT, BUT IS NOT REQUIRED. IT SHOULD BE UNDERSTOOD THAT SOME DEPARTMENTS WILL SUBMIT BUDGETS AT A GREATER LEVEL OF DETAIL.

B. General Instructions

A monthly view is to be prepared for 1993; annual views will be built for 1994 and 1995.

The budget will be at the following levels:

Responsibility Code (RC)	AVP / Department Head and above (with exceptions as noted below)
Financial Subset (FSUB)	Full FSUB level
Expenditure Type Group (ETG)	Select ETGs (see Exhibit 1)
Financial Categories (FCAT)	1. Revenues 2. Expenses 3. Taxes and Income Adjustments 4. Construction 5. Clearing

C. Financial Collection Process for 1993 - 1995

- Group budget staffs will forecast all twelve months of 1993, and annual amounts for 1994 and 1995.
- Group budget staffs' forecasts (FCATS 1-5) must be furnished to R&EM for concurrence. R&EM will subsequently E-Mail check figures to CBA for use in verifying Group RTAP submissions. Upon verification, the corporate view can be select merged.
- Group budget staffs load forecasts into RTAP.
- CBA collects and select merges forecasts into RTAP corporate view version.
- CBA processes forecast (Inter- / Intra-state separations and rate models) and produces Telephone Operations Income Statements and Balance Sheets.

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993-95

5A. DATA REQUIREMENTS - TELEPHONE OPERATIONS - INCOME STATEMENTS

D. Required level of detail

The below listed elements are considered the MINIMUM levels of detail.

1. Responsibility Code (RC) -

All input must be at the Tier 1 manager level (AVP/Department Head) and above, with the following exceptions:

- o VP - Human Resources (Dunn)
- o VP - Info Systems (Daniels)
- o VP - PPSM (Boren)
- o VP - Network (Cload, Jones, Palmes, Sanders, Strohmeyer)

2. Financial Subset (FSUB) -

Budgets should be submitted at the Financial Subset (FSUB) level of detail; NO summarization or budget only FSUBs (ending in AA) should be used. Input at anything other than full FSUB detail impairs the ability to perform budget separations and analysis.

Use care and compare your FSUB budget with historical data where feasible. Future shifts anticipated in the historical distribution of FSUBs should be taken into consideration by any organization that "allocates" their forecasted expense/clearing budgets using actual (historical) FSUB distributions. Not taking these future shifts into consideration when "allocating" budget dollars results in a mis-allocation and a potential mismatch with what is really expected to occur.

3. Expenditure Type Group (ETG) -

Budget amounts should be entered at the ETG level shown on Exhibit 1. ETG Z99 should only be used for FCAT 4 (Construction).

4. Regional Jurisdiction -

All financial data must be submitted on a state basis.

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993-95

5A. DATA REQUIREMENTS - TELEPHONE OPERATIONS - INCOME STATEMENTS

Exhibit 1

ETG Specifications for BST Telephone Operations

FCAT 1 (Revenues)
R99 Revenues - Nonspecified

FCATS 2, 3, and 5 (Expenses, Taxes and Income Adj, and Clearing)
A19 Wages and Salaries - Basic (Note 1)
A29 Wages and Salaries - Overtime (Note 1)
A39 Wages and Salaries - Special Payments (Note 1)
A41 Wages and Salaries, Management - Budget Only (Note 1)
A42 Wages and Salaries, Non-management - Budget Only (Note 1)
A99 Wages and Salaries - Nonspecified

Note 1: (*) use JSS 1 or 2 to denote Mgmt or Non-Mgmt

BA1 Plant Management Salaries - Budget Only
BA2 Plant Non-management Wages - Budget Only
BB1 Engineering Management Salaries - Budget Only
BB2 Engineering Non-management Wages - Budget Only
B99 Plant & Engineering Distributions
C39 Other Direct - Contract Services
C49 Other Direct - General Direct
C59 Contract Service - Plant Labor and Engineering
C89 Commissions
C99 Other Direct - Nonspecified
D49 Indirect Costs - Provisioning Clearance
D59 Indirect Costs - CDP Clearance
D99 Indirect Costs - Nonspecified
E99 Materials
FE3 Corporate Transactions - Intraco. Invest. Comp. credits
FE4 Corporate Transactions - Intraco. Invest. Comp. charges
F99 Corporate Transactions - Nonspecified
G99 Capital Transactions - Nonspecified
J99 FA Expense Loadings - Nonspecified
K99 FA Social Security Taxes, Relief & Pension Expenses - Nonspecified
L99 Rents & Leases - Nonspecified
M99 Contract Billing, MFJ - Nonspecified
PA9 Affiliate Company Billing - Intra Region
PB9 Affiliate Company Billing - BBS
P29 Affiliate Company Billing - BSCorp
P39 Affiliate Company Billing - BSE
P49 Affiliate Company Billing - BellCore
P59 Affiliate Company Billing - BSP
R99 (Revenues) Uncollectible Expense - Nonspecified
S99 Supplies - Nonspecified
T99 Benefits, Pension, & Taxes - Nonspecified
U99 Right-to-use Fees - Nonspecified
V99 Advertising

FCAT 4 (Construction)
Z99 Non-specified

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993-95

5C. DATA REQUIREMENTS - TELEPHONE OPERATIONS - NON-REGULATED ACTIVITIES

A. General

Under the Part 32 Uniform System of Accounts, effective January 1, 1988, regulated and non-regulated activities are accounted for within the accounts prescribed for telephone company operations on an above-the-line basis. Amounts will be subdivided between:

- 1) Amounts solely assignable to non-regulated activities
- 2) Amounts solely assignable to regulated activities
- 3) Amounts related to assets used and expenses incurred jointly or in common which will be allocated between regulated and non-regulated activities.

B. Budget Instructions

Non-regulated expenses are budgeted in direct non-regulated FSUBs or common FSUBs. Common FSUBs are used to budget regulated and non-regulated activities. Since there is only one direct non-regulated FSUB, 13BA Inside Wire Terminal Equipment expense, all departments that have non-regulated dollars embedded in the common FSUBs should report those dollars separately to Corporate Budget Administration. For example, there are non-regulated costs for Operator Services training that is embedded in FSUB 1600 for Memory Call. A suggested format for these non-regulated costs is attached (Exhibit 1). All departments (Network, Marketing, Regulatory, Services, Executive and Auditing) should transmit their non-regulated expenses and investments to Steve Fitzgerald, (CBA, 404-529-7035) by December 17. If departments can not identify non-regulated dollars, they should still report this information.

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993-95

5C. DATA REQUIREMENTS - TELEPHONE OPERATIONS - NON-REGULATED ACTIVITIES
Exhibit 1

Non-regulated product: _____
 Main Account: _____
 FSUB: _____

1993	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Tot '93
AL													
FL													
GA													
KY													
LA													
MS													
NC													
SC													
TN													
Total													

	Tot '94	Tot '95
AL		
FL		
GA		
KY		
LA		
MS		
NC		
SC		
TN		
Total		

**FINANCIAL PLANNING ASSUMPTIONS
 BELLSOUTH TELECOMMUNICATIONS, INC.
 1992 Pre-Commitment View of 1993 - 1995**

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**FINANCIAL PLANNING ASSUMPTIONS
 BELL SOUTH TELECOMMUNICATIONS, INC.
 1992 Pre-Commitment View of 1993 - 1995**

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FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995

0 Economic Assumptions

1.1 Base Case

The economic assumptions in this section correspond with the base case forecast, which represents the economy's most likely course over the planning horizon, with a two-thirds probability of occurrence.

1.2 Measures of Real National Economic Activity

	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Real GDP					
(Bils. of 1987 \$)	4848.9	4957.9	5118.6	5261.7	5393.3
% Change	-0.7	2.2	3.2	2.8	2.5
Personal Income					
(Bils. of 1987 \$)	4050.7	4134.5	4269.3	4391.2	4505.4
% Change	-0.7	2.1	3.3	2.9	2.6
Indus. Prod. Index					
(1987=100)	107.1	109.0	113.1	116.5	119.8
% Change	-1.9	1.7	3.8	3.0	2.8
Housing Starts (M)	1.011	1.270	1.364	1.379	1.380
% Change	-16.1	25.6	7.4	1.1	0.1
Nonfarm Employ. (M)	109.0	109.7	112.2	114.2	115.9
% Change	-0.9	0.6	2.3	1.8	1.5
Unemployment Rate	6.8	7.0	6.3	5.7	5.6

1.3 Measures of Inflation - Consumer Price Indexes (CPI)

	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Annual CPI % chg.					
(All Urban Consumers)	4.3	3.0	3.8	4.3	4.4
Annual CPI % chg.					
(Urban Wage Earners)	4.0	2.9	3.8	4.3	4.4
May/May CPI % chg.					
(Urban Wage Earners)	4.9	2.9	3.7	4.3	4.4
(Basis for COLA)					
Annual Med. Care	8.7	7.7	6.9	7.0	7.0
Component of CPI % chg.					

**FINANCIAL PLANNING ASSUMPTIONS
 BELLSOUTH TELECOMMUNICATIONS, INC.
 1992 Pre-Commitment View of 1993 - 1995**

1.4 Measures of Region Economic Activity

<u>BST Area:</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Personal Income (Bils. of 1987 \$)	698.9	714.5	739.7	762.8	785.8
% Change	-0.1	2.2	3.5	3.1	3.0
Housing Starts (T)	261.1	324.4	353.7	357.8	356.1
% Change	-14.4	24.2	9.0	1.2	-0.5
Nonfarm Employ.(T)	20645.0	20907.8	21497.5	21993.4	22451.4
% Change	-1.1	1.3	2.8	2.3	2.1
Unemploy. Rate (%)	6.6	6.5	5.7	5.1	5.1

1.5 Interest Rates

	<u>Prime Rate (%)</u>	<u>3 Mo. T-Bills (%)</u>	<u>30 Yr. T-Bonds (%)</u>	<u>90 Day Comm. Paper Rate (%)</u>	<u>AAA 10 Yr. Corp. Bonds (%)</u>	<u>Implicit 3 Yr. AAA Bond Rate (%)</u>	<u>Implicit 5 Yr. AAA Bond Rate (%)</u>	<u>Implicit 30 Yr. AAA Bond Rate (%)</u>
1991	8.5	5.6	8.1	5.9	8.8	8.4	8.6	9.0
1992	6.6	4.0	7.9	4.2	8.3	8.0	8.2	8.7
1993	7.1	4.8	8.2	5.2	8.7	8.3	8.5	9.0
1994	7.8	5.3	8.5	5.7	9.0	8.6	8.8	9.3
1995	8.3	6.1	8.6	6.5	9.2	8.8	9.0	9.5

Interest rates on advances should be budgeted based on the 90 Day Commercial Paper rate.

1.6 Measures of International Economic Activity and Foreign Exchange Rates.

Forecasts of International Economic Activity and Foreign Exchange rates for selected countries will be provided upon request by the BellSouth Financial Management Department. Contact J. N. Young (404) 249-3338 regarding specific requests.

1.7 Alternate Scenario - Optimistic

Economic assumptions for an optimistic scenario (with a one-in-six probability) will be provided upon request by the BellSouth Financial Management department. Contact J. N. Young (404) 249-3338 for this alternative.

1.8 Alternate Scenario - Pessimistic

Economic assumptions for a pessimistic scenario (with a one-in-six probability) will be provided upon request by the BellSouth Financial Management department. Contact J. N. Young (404) 249-3338 for this alternative.

FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995

9 Employee Related Assumptions

2.1 Salaries

Salary estimates should include projections covering any changes in (1) base pay (annual merit increases and promotional treatment), (2) Team Excellence Award for Managers (TEAM), (3) Special Achievement Bonus (or Departmental Recognition Award in Science & Technologies only), (4) the Department Head Award Program/Tier 1 Award Program, and (5) Performance Bonus Funds in BBS. The change in salaries should assume a TEAM Award based on 100% achievement of projected service and financial results. Overall salary change projections will be provided by each entity's Assistant Vice President - Human Resources (or equivalent position having Human Resources responsibilities) in coordination with the Assistant Vice President - Executive Personnel Matters, BellSouth Headquarters. Until a labor contract agreement is reached, salary increases should be budgeted at the corporate level only as an adjustment.

2.2 Wages

Projections will be provided by BellSouth Financial Management in coordination with the Assistant Vice President-Employee Relations, BellSouth Headquarters for companies represented by the Communication Workers of America. These projections will be provided directly to the organization responsible for the completion of the corporate budget in each company. The projected changes in wages should assume a Team Incentive Award accrual based on 100% achievement of service and financial objectives. Until a labor contract agreement is reached, wage increases, in represented companies, should be budgeted at the corporate level only as an adjustment.

2.3 Fringe Benefits

The impact of any changes in fringe benefits will be provided by BellSouth Financial Management in coordination with the Assistant Vice President-Employee Relations, BellSouth Headquarters, for inclusion in the view for companies covered by the BellSouth benefit plans. These projections will be provided directly to the organization responsible for the completion of the corporate budget in each company. These amounts should be budgeted at the corporate level the same as wages. See Section 2.4, "Service Pensions, Group Life Insurance, and Postretirement Benefits," for management and non-management accrual rates.

**FINANCIAL PLANNING ASSUMPTIONS
 BELLSOUTH TELECOMMUNICATIONS, INC.
 1992 Pre-Commitment View of 1993 - 1995**

2.4 Service Pensions, Group Life Insurance, and Postretirement Benefits

Service Pensions

For all years included in this budget view, pension expense and amounts contributed to the pension trust will not equal. If pension expense on a cumulative basis exceeds the amount contributed to the trust, the excess should be recorded as a non-current liability. Conversely, if pension expense is less than the amount contributed to the trust on a cumulative basis, the excess is a non-current asset. As of December 31, 1991, both the BellSouth Management Pension Plan and the BellSouth Pension Plan (Non-Management) had cumulative liability balances.

Expense accrual amounts are no longer provided on a monthly per headcount basis. Instead, the annual expense estimates are allocated on a major subsidiary basis. The allocations were based on the relative management salary and non-management force statistics. For individual unregulated subsidiary pension costs, contact Melody Withrov at (404) 249-4543.

Pension expense projections are actuarially determined based on management's assumptions. These assumptions are subject to changes in the facts and circumstances. Therefore, the expenses projected for the outer years are subject to this same volatility.

Postretirement Benefits

Accrual amounts for postretirement benefits are no longer provided as a monthly headcount rate. Instead, the annual expense estimates are allocated on a major subsidiary basis, based on management and non-management headcount force statistics. The expense budget views for 1993-1995 reflect the change in expense as a result of the assumed adoption of SFAS 106 effective January 1, 1993. For 1992 budgeted postretirement expense, use the funding rates provided below.

Postretirement benefit expense projections are actuarially determined based on management's assumptions. These assumptions are subject to changes in the facts and circumstances. Therefore, the expenses projected for the outer years are subject to this same volatility. In addition, the postretirement accrual numbers are subject to changes in implementation strategy and the results of bargaining.

Expense:

BellSouth Management Pension Plan (BSMPP)

(Annual expense in millions)	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
BST - Telco Operations	49.6	43.1	39.0	42.2
BellSouth Business Systems	4.4	3.8	3.5	3.7
BellSouth Enterprises	6.2	5.4	4.9	5.3
BellSouth Headquarters	1.9	1.6	1.5	1.6

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BELLSOUTH TELECOMMUNICATIONS, INC.
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**2.4 Service Pensions, Group Life Insurance, and Postretirement Benefits
(continued)**

BellSouth Non-Management Pension Plan (BSPP)

(Annual Expense in Millions)	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
BST-Telco Operations	98.6	93.4	83.6	93.3
BellSouth Business Systems	2.7	2.6	2.3	2.6
BellSouth Enterprises	4.4	4.2	3.7	4.2
BellSouth Headquarters	0.2	0.2	0.2	0.2
<u>Group Life Insurance (Active Only)</u> (% of Wages & Salaries)	.18	.18	.18	.18

Postretirement Benefits - Representable Employees

(Annual Expense in Millions)	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
BST - Telco Operations	*	123.9	121.1	118.1
BellSouth Business Systems	*	3.5	3.4	3.3
BellSouth Enterprises	*	4.9	4.8	4.6
BellSouth Headquarters	*	0.3	0.3	0.3

Postretirement Benefits - Non-representable Employees

(Annual Expense in Millions)	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
BST - Telco Operations	*	75.4	75.9	76.2
BellSouth Business Systems	*	6.0	6.0	6.0
BellSouth Enterprises	*	9.7	9.8	9.8
BellSouth Headquarters	*	2.1	2.2	2.2

Funding: Monthly Accrual Rates

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Non-management Pension (\$/Employee/Month)	0.0	0.0	0.0	0.0
Management Pension (% of Management Salary)	0.0	0.0	0.0	0.0
Group Life Insurance(Active Only) (% of Wages & Salaries)	0.18	0.18	0.18	0.18

*Use funding rates provided below

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 BELLSOUTH TELECOMMUNICATIONS, INC.
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**2.4 Service Pension, Group Life Insurance, and Postretirement Benefits
 (continued)**

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Representable Employees Post-Emp. Health Care (\$/Employee/Month)	184.33	189.50	195.25	196.34
Non-Representable Employees Post-Emp. Health Care (\$/Employee/Month)	133.41	141.34	150.25	159.25

The Group Life Insurance expense and funding accrual rate for active only is unchanged at 0.18% of wages and salaries.

The budget views above apply to corporate entities that provide traditional BellSouth Corporation benefits. Estimates for subsidiaries that provide benefits through other plans should consider individual plan characteristics. For advice for developing those estimates, please contact the appropriate subject matter expert.

2.5 Health Care Benefits Trust

Responsibility for managing the annual budget for health claims and expenses will continue to be the responsibility of each budgeting entity. Budget level estimates, per employee monthly net rates, and growth assumptions for medical, dental and vision are available upon request from the BellSouth Human Resources Benefits organization.

Funding to the postemployment reserve is calculated using rates which are included in Section 2.4.

2.6 Savings Plan Accrual/Employee Stock Ownership Plans (ESOP)

Beginning in 1992, all BellSouth Enterprises companies employees will no longer participate in the Management Savings Plan (MSP) and the Savings and Security Plan (SSP), with the exception of BAPCO non-management employees who will continue to participate in the SSP. BSE companies will participate in the Retirement Savings Plan (RSP). Contact Melody Withrow at (404) 249-4543 in BellSouth Enterprises Financial Management to obtain direction regarding amounts to be included in individual unregulated companies' commitment views related to the savings plan accrual. Please note, BSC Financial Management has provided amounts for BAPCO SSP to BSE Financial Management. Additionally, the amounts to be included for BellSouth Financial Services savings plan accruals have been included in the BellSouth Telecommunications commitment view.

**FINANCIAL PLANNING ASSUMPTIONS
 BELLSOUTH TELECOMMUNICATIONS, INC.
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2.6 Savings Plan Accrual/Employee Stock Ownership (ESOP) (continued)

Effective with implementation of the Leveraged ESOP program, compensation expense and funding amounts for the savings plans are no longer determined based upon the percentage of the employer matching contribution. Expense recognition is based upon a prescribed formula known as the Shares Allocated Method, and funding is based upon the actual cash requirements of the ESOP. The difference between the two amounts is a non-cash difference which will completely reverse during the thirteen year period of the Leveraged ESOP program. This non-cash difference will be recorded by the companies as an intercompany payable to BSC Headquarters.

The amounts to be included in each company's commitment view are as follows:

<u>Management Savings Plan (MSP)</u>	<u>\$'s in millions</u>			
BST - Telco Operations:				
	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Expense	54.9	53.5	51.8	49.8
Funding (cash)	39.6	40.7	41.5	42.4
Interco Payable HQ	15.3	12.8	10.3	7.4

**FINANCIAL PLANNING ASSUMPTIONS
 BELLSOUTH TELECOMMUNICATIONS, INC.
 1992 Pre-Commitment View of 1993 - 1995**

2.6 Savings Plan Accrual/Employee Stock Ownership Plans (ESOP) (continued)

<u>Savings and Security Plan (SSP):</u>	<u>\$'s in Millions</u>			
BST - Telco Operations:				
	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Expense	46.5	46.3	45.8	45.2
Funding (cash)	39.1	40.0	41.2	42.1
Interco Payable HQ	7.4	6.3	4.6	3.1

**FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995**

0 General Items - BellSouth

3.1 BellSouth Headquarters Corporate Functions Costs

- A. Corporate Service Costs estimates will be furnished by Kathy Coletti. Initial estimates for use in the 1992 Pre-Commitment View of 1993-1995 will be released on June 1, 1992. Final estimates for use in the 1993 Commitment View of 1993-1995 will be issued on October 30, 1992. For regulated entities, Corporate Functions Costs should be classified to appropriate functional accounts. Amounts included in functional accounts should be identified using appropriate expenditure codes as outlined in the Guidelines for preparing Financial Views.
- B. Corporate Service Cost estimates represent only non-discretionary allocable Headquarters costs. Amounts to be billed to subsidiaries for specific projects are not included in these Corporate Service costs and are shown separately. Initial estimates for use in the 1992 Pre-Commitment View of 1993-1995 will be released on June 1, 1992. Final estimates for use in the 1993 Commitment View of 1993-1995 will be issued on October 30, 1992. For regulated entities BellSouth Headquarters discretionary project costs should be included in subsidiary budgets as departmental expenses.

3.2 Organizational Structure and Force

Budgeted Force levels should be based on anticipated business needs reflecting competitive, regulatory, technological, demographic, and workforce trends. For example:

A. Organizational Structure

1. Span of control ratios will increase dramatically.
2. Middle management force levels will decrease as data gathering and information development/processing functions are replaced through technology.
3. Exempt employees will be differentiated as supervisory, technical, professional and/or a combination of these descriptors.

B. Force

1. Some of the workforce issues that may have an impact on financial planning are:
 - a. Working parents of households who are "sandwiched" between young children and aging parents will increasingly require flexibility in work schedules and benefit packages to fit their life styles as they take care of family matters.

**FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995**

3.2 Organizational Structure and Force (continued)

- b. Increasing competition for the most highly skilled employees may require flexibility in compensation in order to attract and retain desired individuals.
 - c. Significant increases in the number of job-sharing and part-time employees may alter benefit packages and change compensation programs.
 - d. Technology enabling certain functions to be performed through telecommuting "at-home" or in other non-traditional locations, may reduce parking and floor space requirements at some company locations. Communications costs may increase marginally.
2. At year-end 1991, the average age for a BellSouth employee was 42 years. Enterprise employees tended to be somewhat younger. The workforce will continue to age faster than the national average (as hiring remains limited). This will result in:
- a. A substantial increase in benefit costs as well as the number of retirements by the end of the decade.
 - b. Skills training costs can be expected to remain lower than average.
 - c. Development costs will increase in order to ensure the mature workforce is well motivated.
3. Management retirements will be significantly reduced from 1992-1996 in BellSouth companies which offered VEER.
4. BSE Force levels will track consistent with their financially based 5-year Plans.
5. BST Force levels will continue to decrease overall. However, there will be significant variations in growth and decline patterns between skill groups, such as:
- a. A large decrease in selected lower skilled/non-technical groups.
 - b. Some small increases in selected highly skilled/technical groups.

Significant increases in training and development costs can be expected as surplus employees are retrained to fill openings and all employees attempt to become more versatile.

FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995

3.3 Official Communications Service

A. BellSouth Telecommunications (BST)

1. Official Communications expenses are identified in the following categories:

- a. Design and Consultation
- b. InterLATA Tolls
Off-Network Toll Charges
BellSouth Corporate Network (BSCN)
- c. Special Services Billed By Common Carrier
- d. Maintenance of Official CPE
- e. Airtime Associated with Cellular Telephones and Pagers
- f. Other Telephone Expenses

2. The following conventions should be used when budgeting Official Communications expenses in the BST:

- a. Design and Consultation - estimates will be developed by Corporate Communications Budget Staff and budgeted in Final Account 6728.5.

- b. InterLATA Tolls

Shared Network Facilities Agreement (SNFA) - SNFA was discontinued for official services message and special circuits in the former South Central Bell territory EOY 1991.

Off-Network Toll (Full Tariff and WATS) Charges - estimates will be developed by Corporate Communications Budget Staff and budgeted as Final Account 6728.5. Included will be charges for Offnet Tolls, WATS, and T-1 WATS Access.

Budget and Actuals are identified in FSUB 20K2, ETG CH1.

BellSouth Corporate Network (BSCN) is owned by BST and supported by Network. BST departments do not budget BSCN expense.

- c. Special Services billed by Common Carrier - most tariffed billed Special Services circuits (private lines) billed by Common Carrier will be cut over to BSCN; however, deferred diversity projects on BSCN will affect private line costs from OCCs.

Estimates will be developed by Corporate Communications Budget Staff and budgeted as Account 6728.5.

Budget and Actuals are identified in FSUB 20K2, ETG CH3.

**FINANCIAL PLANNING ASSUMPTIONS
 BELLSOUTH TELECOMMUNICATIONS, INC.
 1992 Pre-Commitment View of 1993 - 1995**

3.3 Official Communications Service (continued)

- d. Maintenance of Official CPE - estimates for maintenance expense associated with Official CPE will be coordinated and developed by the BST-Network Budget Staffs, Corporate Communications Budget Staff and Network Operations Budget Staff and Budgeted as Final Account 6123.2.

BST Network is responsible for labor charges, purchase and repairs of Corporate Communications equipment, material purchases, rentals, salvage credits and corporate transactions authorized by Comptrollers.

Budget and Actuals are identified in FSUB 09C1, FRC 658M.

Inventory adjustments are booked to Network as Final Account 6512 and are not budgeted.

- e. Airtime associated with cellular telephones and pagers - airtime costs associated with cellular telephones and pagers will be charged back to the departmental users' functional expense account. The using department will be accountable for budgeting this expense beginning in 1992.

Budget and Actuals are identified in FSUBs, ETG CH4.

- f. Other Telephone Expenses - Estimates will be developed by Corporate Communications Budget Staff for E911 Pass-on charges, as well as other miscellaneous charges and budgeted in Account 6728.5.

Budget and Actuals are identified in FSUB 20K2, ETG CH3.

- B. BellSouth Corporation, BellSouth Enterprises, and BellSouth Business Systems subsidiaries should contact the Corporate Communications Budget Staff (Ms. Doyce Howard 404 529-5606) for estimates of communications expense billed by the BST as affiliate billing.

3.4 Postal Rates

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
<u>1st Class Rates</u>				
Regular 1st Class	0.29	0.29	0.33	0.33
Presort 1st Class	0.248	0.248	0.279	0.279
ZIP+4 Presorted	0.242	0.242	0.272	0.272
3-Digit ZIP+4 Bar-coded	0.239	0.239	0.269	0.269
5-Digit ZIP+4 Bar-coded	0.233	0.233	0.262	0.262
Carrier Route Sort	0.230	0.230	0.259	0.259

* Assume increases effective 1/1/94.

**FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995**

0 General Items - Regulated

4.1 BellSouth Region Telephone Plant Indexes (BSRTPI)

Capital budget requirements for BST should be based on cost and labor trends identified in the BellSouth Region Telephone Plant Indexes where appropriate as outlined in the "Construction Budget" Section 4.2. The BSRTPI, RL 91-11-045SV dated November 29, 1991, contains historical and forecast Telephone Plant Index figures by plant account. Specific questions should be referred to Mr. Barry Patton at (205) 977-5044.

4.2 Construction Budget

The 1992 Pre-Commitment View of 1992-1995 for the construction budget should be collected and compiled on a USOAR Part 32 basis for 1991 actuals plus budget years 1992 through 1995. Requirements for reporting construction program data to BellSouth are described in the latest issue of the Construction Program Summary Reporting Guidelines and the latest issue of "Analysis Techniques for Analysis of Strategic Issues". In preparing this view, cost and labor trends identified in the BellSouth Region Telephone Indexes (BSRTPI) as described in Section 4.1 should be used where product specific costs are unavailable.

Capital expenditures should be linked to associated revenues and expenses. When demand changes occur, capital levels should be adjusted accordingly.

The reasonableness of the 1992 Pre-Commitment View of 1992-1995 will be assessed using historical expenditures by various categories, future major program projections, and multiple regression models developed by BellSouth headquarters. Also, comparisons will be made to the prior 1992 Commitment View of 1992-1994.

Upon approval of the funding levels, the 1993 Commitment View of 1993-1995 should be collected and compiled on a USOAR Part 32 basis for 1992 actuals plus budget years 1993 through 1995. This will be an "Abbreviated View" of capital.

The data requested for this view will be used to produce a macro check for compliance with negotiated commitment view budget levels. Major changes will be analyzed and checked for conformance with the Capital Deployment Planning Assumptions, the Network Strategic Plan - Investment Programs, and the Network Strategic Plan.

**FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995**

Capital Recovery

- A. The objective depreciation reserve ratios for the planning period are determined from studies prepared annually by the Capital Recovery organization in the BST. These studies calculate the yearly objectives ("Age/Life" ratios) appropriate to each state's current Network Planning assumptions. The current time-frame for reaching these objective ratios is the mid 1990s.

The regulatory organization of BST should therefore prepare a new reserve requirement study by state for 1992 through 1995. The Guidelines for Preparing Financial Views will identify what documentation is required for the study and depreciation reserve ratio calculations.

B. Triennial Represcription

Assume triennial prescription in 1995 for the Southern Bell states and 1993 for the South Central Bell states. Assume prescription of attainable lives. Separate depreciation rates should be assumed for intrastate purposes where state commissions may prescribe depreciation rates that are different from those required by the FCC. Groupings of states for represcription purposes are currently based on the prior company organizations. This may change in the future if regulatory approval is obtained.

4.4 Pre-Divestiture Contingent Liabilities

The following amounts should be included for Pre-Divestiture Contingent Liabilities:

(\$'s in Millions)	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
BST	10.0	10.0	10.0	8.0

These amounts should be budgeted as FR adjustments.

FINANCIAL PLANNING ASSUMPTIONS
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Accounting Assumptions

5.1 Accrual of Compensated Absences

Compensated absence expense is calculated in accordance with FASB Statement No. 43, "Accounting for Compensated Absences." Compensated absences include vacations, paid excused work days, and optional holidays. In compliance with Statement 43, BellSouth and subsidiaries calculate the expected liability for compensated absences that will be paid in the following year as of the end of each year. Any increment or decrement from the previous year's liability will respectively increase or decrease the amount recognized as expense. Accordingly, compensated absence expense for a given year is equal to compensated absences paid during the year, plus the change in the compensated absence liability.

For budget purposes, the compensated absence liability should be increased at the same rate as projected salary and wage increases for management and non-management, respectively. An increase in compensated absence expense corresponding to the increase in the liability should also be reflected in the budgets at the department level through the year preceding the labor contract expiration. Thereafter, compensated absence expense increases should be budgeted at the corporate level only as an adjustment.

BST presently accounts for compensated absences consistent with the Statement 43 accounting (FCC Docket 84-469). Prior to 1988, the liability for BST employees was offset by a debit to deferred assets. The deferred asset balance as of January 1, 1988 is being amortized to expense over a 10 year period (1988 - 1997).

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5.2 Joint Cost Allocations (Parts 32 and 64 of the FCC's Rules)

- A. In its Joint Cost Order, the FCC promulgates rules for assignment of common costs between the regulated and nonregulated operations engaged in by BST. The Joint Cost Order also prescribes rules for various transactions with affiliates.

Generally, the FCC Rules for transfers of assets are:

1. Prevailing market rate based on sales to unaffiliated entities.
2. If a prevailing market rate is not available, assets transferred:
 - a. from nonregulated to regulated affiliates are valued at cost or fair market value, whichever is lower.
 - b. from regulated to nonregulated affiliates are valued at cost or fair market value, whichever is higher.

The FCC Rules for valuing services performed by regulated and nonregulated affiliates are:

1. Tariff or prevailing market rate.
2. If a prevailing market rate or tariff is not available, services will be valued at cost, determined in accordance with the rules for apportioning common costs between regulated and nonregulated activities.
3. The prevailing market rate must be based on sales of services by the providing affiliate to unaffiliated entities.

FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995

5.2 Joint Cost Allocations (Part 32 and 64 of the FCC's Rules) (continued)

B. Revenues and costs of nonregulated activities which use common resources are budgeted by Part 32 accounts. Actuals are recorded in the same Part 32 account for each activity. Actual costs of common resources are apportioned between regulated and nonregulated activities based on the costing principles, procedures and methodologies contained in the most recently revised BellSouth CAM filed at the FCC. Budget data should be based on the latest filed CAM which can be obtained by calling Frances Dennis, Operations Manager, BellSouth Comptrollers, at (404) 249-3026. BST Comptrollers should be contacted for the impacts of these changes on Regulated Operations.

Also, when nonregulated activities are performed and the use of common resources is de minimis, actual costs are recorded at the subsidiary account level under Account 1406, Nonregulated Investment. Currently there are no nonregulated activities being provided for which the use of common resources is de minimis. Therefore, costs of providing existing nonregulated activities should be budgeted by the appropriate Part 32 account.

BellSouth Accounting Manual Volume III, Section 1, Chapters 1 and 2, Joint Cost Allocation and Affiliated Transactions, respectively, and accounting policy letter 660-01 - Accounting for Overhead Costs, provide guidance on the applicability of these rules to BellSouth's regulated and nonregulated affiliates and its regulated carriers' nonregulated activities. Contact Jennifer Fox at (404) 249-4553 for questions regarding unregulated subsidiaries.

5.3 Corporate Insurance

Insurance coordinators have been designated for each subsidiary. These individuals are knowledgeable of all insurance matters and can provide expenditure estimates for inclusion in the view. The coordinators are listed below:

CORPORATE INSURANCE COORDINATORS

<u>Subsidiary</u>	<u>Coordinator</u>
BST	Billie Bridges

**FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995**

5.4 Inter-Entity Contract Billing

- A. The revenue and expense impact of Inter-Entity Contract Billing should be reflected in this budget view. The contract types are: (1) Network Plant and Services, (2) Billing services, excluding ATTIS CPE, (3) Centrally Developed Computer-based Systems, (4) Stocks and Bonds, (5) Employee Benefit Services, and (6) Independent Company Relationships. The amount of billing related to these contracts will have an impact on the financial position of each company. In determining the billing amounts, the full cost associated with performing work for others must be recovered, including: (1) direct costs, (2) indirect costs, and (3) ancillary costs, i.e., float costs.
- B. Corporate budget groups should coordinate the amounts billed between BellSouth subsidiaries to insure that the billed subsidiary is fully aware of amounts to be billed.
- C. The owner's applicable post tax incremental cost of capital should be utilized in estimating the return on investment component of contract charging. This method is valid for shared capacity between BST and AT&T, as well as others.
1. Shared capacity between BST and AT&T:
- Embedded plant under contract as of 1-1-84 and plant under construction at time of divestiture or for plant additions after 1-1-84:
- Owner's applicable cost of incremental capital
2. For contract charging for work performed (other than that defined as shared capacity between BST and AT&T by BST and charged to another entity:
- Owner's applicable cost of incremental capital
- D. The Float Costs component of contract charging should be calculated using the appropriate incremental cost of capital or as stipulated in the applicable contract.
- E. Volume III, Section 2, Chapter 1, of the BellSouth Accounting Manual Miscellaneous Billing applies to amounts billed to parties other than customers. Such billing includes practically all intercompany transactions with other BellSouth entities.

FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
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5.5 Rate of Return Loadings on BSC Billings to Subsidiaries

Beginning January 1, 1992, BellSouth Headquarters will begin adding a rate of return component to the amounts billed to the subsidiaries for corporate services. The amounts charged will be consistent with the affiliated transactions rules contained in the FCC's Joint Cost Order. Estimates (in thousands of dollars) of total loadings for 1992 are as follows:

BellSouth Telecommunications, Inc.	\$2,292
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5.6 Accounting for the Costs of Equal Access and Network Reconfiguration

A major cost associated with divestiture is "Equal Access". A secondary cost is "Network Reconfiguration". The United States District Court of the District of Columbia has set conditions requiring AT&T to compensate the operating companies for certain of these costs if they are not recovered from access tariffs. BST has filed equal access cost recovery tariffs designed to recover the interstate costs of equal access.

An accounting order was issued by the FCC on December 9, 1985, requiring the BOC's to, among other things, defer and amortize over a period of eight years Equal Access (EA) expenses. The deferred EA expenses should be recorded in Account 1439, Deferred Charges, and amortized to account 6728, Other General and Administrative Expenses, over a fixed eight year period. Network Reconfiguration costs will be maintained in the usual accounts without special treatment, except that they are to remain identifiable, as required by the FCC. Paul Pence (205) 321-4019 and Brian Killingsworth (404) 529-2471 are the contact representatives for the accounting methods and procedures for South Central and Southern Bell Service Areas respectively. In addition, Ms. Frances Dennis (404) 249-3026 in BellSouth Headquarters has the region-wide regulated accounting responsibility. Amortization of deferred equal access costs should be completed by December 31, 1993.

5.7 Allowance for Funds Used During Construction

Regulated entities should determine Allowance for Funds Used During Construction (AFUDC) based upon regulatory requirements.

5.8 Federal Communications Commission Interstate Expense Limit

BellSouth's regulated subsidiaries adopted the FCC's \$500 expense limit on a going-forward basis as of January 1, 1989. Effective January 1, 1990, BST began amortization of the embedded balance of those items costing less than \$500 which had been previously capitalized. This amortization will be over a prescribed 8 year period.

**FINANCIAL PLANNING ASSUMPTIONS
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5.9 Inside Wire Retirement

When inside wire is fully amortized, interstate and intrastate, it should no longer be classified as an asset (based on Statement of Financial Accounting Concepts Number 6). Therefore, both the investment and corresponding accumulated depreciation should be retired when the inside wire investment, both embedded and phased-in, is fully amortized. Due to various phase-in dates, the retirements will be done on a jurisdictional basis. Inside wire amortization should be completed in 1993.

5.10 Hurricane Hugo

For interstate purposes, the costs associated with damage caused by Hurricane Hugo were charged to expense in 1989. For intrastate purposes, both North Carolina's and South Carolina's PSCs ordered that a portion of these costs be deferred and amortized over differing periods. The BST Comptrollers Regulatory Matters organization should be contacted for this impact.

5.11 Lobbying Costs

All lobbying costs should be documented in the budget. It is BellSouth's policy that these costs should not be recovered through the ratemaking process. Accordingly, these costs should be specifically and separately identified to ensure they are excluded from ratemaking; Grassroots MFJ lobbying costs should be segregated from other lobbying costs and separately tracked. Ms. Frances Dennis, Operations Manager, BellSouth Comptrollers, has regional responsibility for corporate accounting policy matters. She should be contacted at (404) 249-3026 with any questions regarding the accounting for these costs.

5.12 Accounting for Funding of Medical and Other Benefits for Presently Retired Employees

The post-divestiture medical, dental, and certain ad hoc pension expenses of BST employees that were retired at the time of divestiture are being shared by AT&T and BST. AT&T's portion of those expenses is based upon the proportion of the total payroll (December 1983) that was transferred to AT&T as a part of divestiture. BST is continuing to fund the current cost of providing benefits to these employees and will be reimbursed by AT&T for those expenses on an annual basis. While these reimbursements are made annually, the effect will be accrued on a monthly basis. The following table summarizes the annual effects (in millions of dollars):

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Pre-1985 Retiree Benefits	8.2	8.2	8.2	8.2
Post-1984 Ad Hoc Pension Increases	6.4	6.4	6.4	6.4
Long-Term Disability Benefits	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>
Total Reimbursement	15.2	15.2	15.2	15.2

**FINANCIAL PLANNING ASSUMPTIONS
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Bell Communications Research, Incorporated (BCRI)

6.1 BCRI Billing Estimates

Through 1991, essentially all billing from Bellcore to any BellSouth Company is first billed to BellSouth Services in order that BSSI serve as the central coordination point for all BellSouth Companies. These costs are then billed to the appropriate company, and the individual identity of these expenses and projects are maintained through the AC Billing process. With the creation of BellSouth Telecommunications, Inc., the process will remain basically the same with BST being the central point of contact for all Bellcore billing.

The following is a summary of the expenses each subsidiary should include for services provided by Bell Communications Research, Incorporated (BCRI). These expenses exclude Usage Sensitive (e.g. Lisle, BCR Tec, etc.), Conduit Billing, and 800 NASC Contracts. Questions regarding these estimates may be directed to Ferrell Skinner, (205) 977-1550 or Nat Jones, (205) 977-1567.

**BCRI Billing Estimates
(\$000)**

<u>Entity</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Services Group	17,300	16,500	16,250	16,370
Marketing Group	9,500	9,064	9,336	9,616
Regulatory Group	4,300	4,540	4,675	4,815
Network Group	141,000	146,000	150,425	154,950
Other BST		414	427	440
BSC	136	96	99	102

6.2 Unregulated Lines of Business

A share in the ownership of BCRI will reside with BellSouth Telecommunications, Inc. For this view, assume that no additional investment in BCRI will be required by BellSouth Telecommunications, Inc. BellSouth Telecommunications, Inc. will receive a quarterly dividend from BCRI. The BCRI dividend estimates are provided in the "BellSouth Telecommunications, Inc." section.

**FINANCIAL PLANNING ASSUMPTIONS
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6.3 BCRI Conduit Billing

BCRI will serve as the billing agency for several projects being performed by entities such as other RBOCs and AT&T. The expenses for these "Conduit Billing Projects" appear on the monthly BCRI bill. However, those expenses are not a part of the BCRI budget amounts detailed in the "BCRI Billing Estimates" section. "Conduit Billing" projects should be budgeted by the affected organizations of BellSouth Telecommunications, Inc.

The following, however, is a projection of these costs by company and project, assuming a 5% growth rate.

**BCRI "Conduit Billing" Estimates
 (\$000)**

<u>PROJECT</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
CMDS	314	330	347	364
IS-NET	134	141	148	155
T-TRAN	55	58	61	64
<u>STARS</u>	<u>589</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL BST	1092	529	556	583

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 BELLSOUTH TELECOMMUNICATIONS, INC.
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6.4 BCRI Usage Sensitive Billing

BCRI also provides and bills costs for certain usage sensitive services such as Lisle, BCR Tec, Training, etc. These costs should be projected by the affected organizations of BellSouth Telecommunications, Inc.

The following, however, is a projection of the total costs for these services, assuming a 3% growth rate:

BCRI Usage Sensitive Billing (\$000)				
	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
TOTAL BST	13,176	13,571	13,978	14,398

6.5 BCRI 800 NASC Contracts

The Service Management System (SMS)/800 "Conduit Billing" agreement has been replaced by two (2) agreements. The 800 Number Administration and Service Center (NASC) for 800 Service Providers and Service Control Point (SCP) Owners/Operators. The funding for the 800 NASC contracts are no longer included in the "BCRI Billing Estimates" or the "Conduit Billing" sections. However, we will use the funds allocated to the old SMS/800 agreements to fund the new 800 NASC contracts. "800 NASC Contracts Billing" projects should be budgeted by the affected organizations of BellSouth Telecommunications, Inc.

The following, however, is a projection of these costs by project (contract), assuming a 5% growth rate:

BCRI 800 NASC Contracts Billing Estimates (\$000)				
<u>PROJECT</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
12442Y	225	236	248	260
<u>12442Z</u>	<u>1,528</u>	<u>1,604</u>	<u>1,684</u>	<u>1,769</u>
TOTAL BST	1,753	1,840	1,932	2,029

**FINANCIAL PLANNING ASSUMPTIONS
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7.0 Tax Items

General Comments

The 1992 Pre-Commitment View of 1993-1995 is to be prepared on the following revised assumptions in order to reflect changes resulting from recent tax law changes.

7.1 Federal Income Tax

A. Consolidated federal income tax return

A separate federal income tax return will be prepared for each company utilizing a federal income tax rate of 34%.

The R&D tax credit was extended through June 30, 1992 by H. R. 3909. Assume that the R & D tax credit will not be available after this date unless it is re-extended or made permanent by new legislation.

B. Payments

Assume 93% in 1992, 94% in 1993 and 1994, and 95% for 1995 of the estimated tax liability and benefit is payable in the current year in quarterly estimates on the following dates: April 15, June 15, September 15 and December 15. The remaining percent is payable on March 15 of the following year.

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 BELLSOUTH TELECOMMUNICATIONS, INC.
 1992 Pre-Commitment View of 1993 - 1995**

7.1 Federal Income Tax (continued)

C. Depreciation

The Modified Accelerated Cost Recovery System (MACRS) is to be used for property placed in service after 1986. The tax lives and methods are as follows:

<u>Category</u>	<u>Recovery Period</u>	<u>Method</u>
Buildings - NonCOE NQ (80%) Q (20%)	31.5 years 7 years	S/L 200% db
Buildings - COE NQ (40%) Q (60%)	31.5 years 20 years	S/L 150% db
COE - Computer-based (digital, electronic radio and circuit)	5 years	200% db
COE - Non-Computer based (step x step, and crossbar)	10 years	200% db
Outside Plant	15 years	150% db
Official Telephones Office Furniture PBX Public Telephone	7 years	200% db
Motor Vehicles-LT Motor Vehicles-OT Tools Store Room Equipment	5 years	200% db
Computers R & D Property High Tech Telephone Equipment at a Customer's Premise Office Equipment	5 years	200% db

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7.1 Federal Income Tax (continued)

D. Investment credit amortization - Regulated

The repeal of investment tax credit should be considered in calculating the amortization of investment tax credit for years after 1986. The 1986 Tax Reform Act requires the continued reporting of unamortized balances to income over the same period of time used in computing regulated depreciation expense. Reserve deficiency amortization should not be taken into account when developing ITC amortization.

E. Uniform capitalization rules for self constructed assets

Uniform capitalization rules are provided for determining costs on self constructed assets that must be capitalized as part of the tax basis of plant after December 31, 1986. Examples of these costs are social security taxes, relief and pensions, and sales and use taxes.

Construction period interest (CPI) must be capitalized as part of the tax basis of plant on real property, property with a guideline life of 20 years or greater, and property which requires an extended construction period to produce. Additionally, property taxes levied on property under construction must be capitalized as part of the tax basis of plant.

Regulated -

Part 32 requires that elements such as general overheads, engineering unclassified costs, data processing, and procurement costs be expensed for book purposes rather than capitalized as under Part 31. Under the uniform capitalization provisions of the Internal Revenue Code (IRC), a portion of book capital to expense shifts will not be allowable for tax purposes (i.e., a portion of the related amounts expensed for book purposes will be capitalized for tax purposes.)

FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995

7.1 Federal Income Tax (continued)

F. Asset transfers

No gain, loss, depreciation recapture or ITC recapture is recognized as a result of the transfer of assets between BellSouth entities except for transactions involving WECO profit and pre-divestiture deferred gain through 1993. During the 1993 tax year, all remaining WECO gain will be restored to income. In transfers between a regulated company and an unregulated company, the affiliated transaction rules of Part 64 and whether the transaction is a cash sale or equity infusion affect the amount of the related deferred tax reserve and unamortized ITC balance transferred.

For pre-1981 vintage assets, transferred tax depreciation will continue on the same ADR or CLS lives used by the transferor. Post-1980 plant transferred and new property will be depreciated under ACRS or MACRS rules.

G. Compensated Absences

Compensated absences will be deducted on an "as paid" basis.

H. Interest

The applicable interest rate for overpayments of federal income taxes is the federal short-term rate plus 2 percentage points. For underpayments, the normal interest rate is the federal short-term rate plus 3 percentage points. After 1990, however, interest on certain "large" tax deficiencies (those in excess of \$100,000) may accrue at a rate which is 5 percentage points higher than the federal short-term rate.

These interest rates are adjusted quarterly with the rate which is determined during the first month of a calendar quarter becoming effective for the following quarter.

The federal short-term rate is based on the average market yield on outstanding marketable obligations of the United States with remaining period to maturity of three years or less.

I. Accounting Method

All companies must use the accrual basis for computing federal income taxes.

**FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
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7.1 Federal Income Tax (continued)

J. Timing Differences

In February, 1992, the Financial Accounting Standards Board (FASB) issued SFAS 96--Accounting for Income Taxes. The concept of interperiod tax allocation is retained but the focus of the deferred tax calculations shifts from the income statement (deferred method) to the balance sheet (liability method). This change requires that the deferred tax assets and liabilities be restated to reflect the liability or the asset that will be settled as all temporary differences reverse.

This statement is effective for fiscal years beginning after December 15, 1992. At this time BellSouth plans to adopt SFAS 109 in 1993. Accordingly, the effects should be included in the 1993-1995 view to the extent possible.

K. Bad Debts

The tax deduction for bad debts is limited to actual write-offs.

L. Business Meals

20% of business meal and entertainment costs must be added back to taxable income as a permanent tax difference.

M. Inventory Capitalization Rules

Effective January 1, 1987, the Tax Reform Act of 1986 requires the capitalization of an allocable portion of most indirect costs benefiting the production or acquisition of inventoriable assets. This provision of the new law is patterned after the tough, all inclusive rules applicable to extended period long-term contracts.

N. Superfund Tax

Since 1987, a superfund tax has been imposed on all corporations. The base for computing this tax is the alternative minimum taxable income as defined within the Tax Reform Act of 1986. The superfund tax is deductible for federal income tax purposes.

O. Accounting for Long-term Contracts

The completed contract method was repealed for contracts entered into after July 1st 1989. The completed contract method of accounting was limited to 60% of income from contracts entered into between 3/1/86 and 10/13/87; 30% of income from contracts entered into after 10/13/87 and before 6/21/88; and 10% for contracts entered into after 6/20/88 and before 7/12/89. The percentage of completion method must be followed, subject to the new inventory capitalization rules (see N above).

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7.1 Federal Income Tax (continued)

P. Deferred Intercompany Gains and Losses from Inventory Ownership and Consolidation (IOC)

Generally, the gain or loss on intercompany sales of depreciable assets is deferred and recognized over the life of the asset. Restoral of Profit (loss) on sales of assets which are nondepreciable in the purchaser's hands occurs during the year, and in the same amount as the increase (decrease) in the purchaser's deduction for such assets that results because of an intercompany transaction.

Q. Normalization of Excess Deferred Taxes - Regulated

The reduction in the corporate federal income tax rate from 46% to 39.95% in 1987 and to 34% for years thereafter, has resulted in an excess in the deferred tax account. The portion of the excess deferred tax reserve to be released to income will be determined by applying the average rate assumption method to reversing timing differences.

R. Part 64 - Regulated

Deferred tax balances and investment tax credit balances should be allocated between regulated and unregulated based on the provisions of the BellSouth Cost Allocation Manual (CAM).

S. Leases - Regulated

The criteria for classifying leases as capital or operating for tax purposes differs from that for book purposes. Leases entered into after 1987 will be analyzed to determine the proper tax treatment. Leases entered into prior to 1988 must continue to be reported as operating leases for tax purposes.

**FINANCIAL PLANNING ASSUMPTIONS
 BELLSOUTH TELECOMMUNICATIONS, INC.
 1992 Pre-Commitment View of 1993 - 1995**

7.2 State Income Tax

A. Tax rates by state

<u>State</u>	<u>Tax Rate (%)</u>	<u>Taxable Income (\$)</u>
Alabama	5.00	
Florida	5.50	
Georgia	6.00	
Kentucky	4.00	0 - 25,000
	5.00	25,000 - 50,000
	6.00	50,001 - 100,000
	7.00	100,001 - 250,000
	8.25	250,001 +
Louisiana	4.00	0 - 25,000
	5.00	25,000 - 50,000
	6.00	50,001 - 100,000
	7.00	100,001 - 200,000
	8.00	200,001 +
Mississippi (1)	3.00	0 - 5,000
	4.00	5,001 - 10,000
	5.00	10,001 +
North Carolina (2)	7.9825 for 1992	
	7.905 for 1993	
	7.8275 for 1994	
	7.75 after 1994	
South Carolina	5.00	
Tennessee	6.00	
District of Columbia	10.25	

(1) Companies other than BST should apply a 5% tax rate to all income/losses.

(2) Includes surtax for 1992 through 1994.

For information regarding tax rates in states outside of the BellSouth region, contact Julia Amendola, (404) 249-2468.

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BELLSOUTH TELECOMMUNICATIONS, INC.
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7.2 State Income Tax (continued)

B. Tax payments by state

All companies are to determine state income tax payments based on the methodology which minimizes taxes. However, the prior year exception is not to be utilized by companies which were not in existence during that period. Companies generating a loss should assume that no benefit will be realized unless the benefit is available through a combined tax return (e.g., MA, MS, SC, IN, and VA). Those entities should assume zero current tax and no deferred tax benefit.

1. Alabama

If the estimated tax liability for the year exceeds \$5,000, assume the lesser of 80% of the estimated tax or 100% of the prior year's tax liability is paid in equal quarterly installments on April 15, June 15, September 15, and December 15. Any remaining liability is due on March 15 of the following year.

2. Florida

For 1986 and beyond, unitary tax does not apply. Each company will file a separate Florida tax return. A \$5,000 exemption is allowed by Florida but should be ignored for budget purposes.

If the estimated tax liability for the year exceeds \$2,500, assume ninety percent of the estimated current year tax (or, one hundred percent of the tax computed at the current year's tax rate, but otherwise based on the facts and law applicable to the preceding tax year) is payable in equal installments on May 1, July 1, October 1 and January 1. Any remaining liability is payable on April 1 of the following year.

3. Georgia

If net income for the year exceeds \$25,000, assume equal installment payments on April 15, June 15, September 15 and December 15 based on the lesser of one hundred percent of prior year tax or seventy percent of current year tax determined on an annualized basis. Any remaining liability is due on March 15 of the following year.

4. Kentucky

If the estimated tax liability for the year exceeds \$5,000, assume estimated tax payments of 50% on June 15, and 25% on September 15 and December 15. Payments are to be based on 70% of the current year liability less \$5,000. The lesser of 100% of the prior year's tax or 90% of the total tax due for the year must be paid by April 15 of the following year, and the remaining amount is due on October 15 of the following year.

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BELLSOUTH TELECOMMUNICATIONS, INC.
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7.2 State Income Tax (continued)

5. Louisiana

If the estimated tax liability exceeds \$1,000, the lesser of 80% of the estimated current year tax liability or 100% of the prior year's liability is payable in equal installments on April 15, June 15, September 15 and December 15. The 80% criteria is based on annualized income. The remaining liability is due on April 15 of the following year.

6. Mississippi

If the estimated tax liability for the year exceeds \$200, assume ninety percent of the tax is paid in equal installments on April 15, June 15, September 15 and December 15. The remaining liability is payable on March 15 of the following year.

7. North Carolina

If the estimated tax liability for the year exceeds \$5,000, assume equal installment payments on April 15, June 15, September 15, and December 15. Payments are to be based on the lesser of one hundred percent of the prior year's tax or ninety percent of the current year's tax, determined on an annualized basis. Note that companies that have had more than \$1 million of taxable income in North Carolina in one of the three preceding tax years are not permitted to use the prior year's tax exceptions. Any remaining liability is due on March 15 of the following year.

8. South Carolina

If the estimated tax liability for the year exceeds \$100, assume ninety percent of the estimated current year tax (or one hundred percent of prior year's tax, if less) is payable in equal installments on March 15, June 15, September 15 and December 15. Any remaining liability is due on March 15 of the subsequent year.

9. Tennessee

If the estimated tax liability for the year exceeds \$2,000, pay estimated taxes equal to the lesser of eighty percent of the current year's tax liability or one hundred percent of prior year tax. Make the payments in four equal installments on April 15, July 15, October 15 and January 15. At the time of extension on April 1, make a payment sufficient to bring payments to 90% of the tax due for the current year or 100% of the prior year's liability, if less. Any remaining liability is due with the extended tax return on or before October 1.

FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
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7.2 State Income Tax (continued)

10. District of Columbia

If the estimated tax liability for the year exceeds \$1000, assume ninety percent of the estimated current tax or 100% of the prior year's tax is payable in equal installments on April 15, June 15, September 15, and December 15. Any remaining liability is due on March 15.

11. Unitary Taxes

Companies conducting operations in the states listed below may be subject to unitary taxation. Since the application of unitary tax differs among these states, development of a tax schedule for use by unregulated entities is not practical. Unregulated entities that are conducting or intend to conduct business in a state that applies a unitary tax are advised to contact Virginia Chandler at (404) 249-3576 in the BellSouth Corporation Tax Department for further instructions.

Alaska	Maine
Arizona	Minnesota
California	Montana
Colorado	Nebraska
Hawaii	New Hampshire
Idaho	North Dakota
Illinois	Oregon
Kansas	New York
	Utah

FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
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7.2 State Income Tax (continued)

C. Depreciation

In all states except Florida, Georgia and Kentucky, for property placed in service after 1980 and before 1987, ACRS is to be used. ACRS is modified in South Carolina. South Carolina provides for depreciating public utility property over 25 years using straight line depreciation rates.

In Georgia ADR is to be utilized for pre-1987 property unless an election to use MACRS is made. Multi-state corporations operating in Florida (i.e. BAPCO and BellSouth Mobility, Inc.) should utilize ADR for Florida income tax purposes for pre-1987 property.

For Kentucky, effective August 1, 1985, the depreciation system is based on IRC Sec. 167 of the 1980 Internal Revenue Code. In 1986, 1981-1984 vintage recovery property (ACRS) was converted to a straight-line method of depreciation over the remaining useful life of the assets. The useful life was determined under the IRC and related regulations in effect in 1980. The CLADR table is an acceptable means for determining useful life. The depreciation which was disallowed (ACRS depreciation divided by 1.4) for taxable years beginning after June 30, 1984 will be recaptured in the depreciable basis of the property. ACRS depreciation not allowed for tax years beginning before July 1, 1984 cannot be recaptured. Effective 1/1/90, Kentucky has conformed to the IRC in effect on December 31, 1989. Therefore, any property placed in service after that date is depreciated using the Modified Accelerated Cost Recovery System (MACRS).

For property placed in service after 1986, MACRS is to be used in Washington D. C., Florida, Georgia, North Carolina, and South Carolina.

The Alabama, Louisiana, Mississippi and Tennessee state depreciation method after 1986 is MACRS. Additional depreciation is taken on the nine state returns having regulated operations with respect to Western Electric deferred gain (for pre-1985 vintages).

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BELLSOUTH TELECOMMUNICATIONS, INC.
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7.2 State Income Tax (continued)

D. Net operating losses

The benefit of state net operating loss (NOL) carryforwards is not to be reflected unless use of such losses is assured by 1996. If such use is demonstrated, NOL carryforwards are to be reflected as a deferred tax benefit in the period generated.

State NOL carryback/carryforward periods are as follows:

<u>State</u>	<u>Carryback</u>	<u>Carryforward</u>
Alabama	0	15
Florida	0	15
Georgia	3	15
Kentucky	3	15
Louisiana	3	15
Mississippi	0	5
North Carolina	0	5
South Carolina	0	15
Tennessee	0	7
D.C.	3	15**

** Accruals for years after 12/31/87.

NOLs cannot be carried back to years before 1/1/88.

**FINANCIAL PLANNING ASSUMPTIONS
 BELLSOUTH TELECOMMUNICATIONS, INC.
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7.3 Taxes Other Than Income

A. Federal Insurance Contributions Act (FICA) Tax

After 1990, the FICA tax is comprised of two components: (1) the old-age, survivor, and disability insurance (OASDI), and (2) the Medicare hospital insurance (HI).

The projected FICA tax rates and wage bases for 1992 through 1995 follow below:

Federal Insurance Contribution Act (FICA)

Tax Table				
<u>Year</u>	<u>OASDI Tax Rate (%)</u>	<u>HI Tax Rate (%)</u>	<u>OASDI Wage Base (\$)</u>	<u>HI Wage Base (\$)</u>
1992	6.2	1.45	55,500	130,200
1993	6.2	1.45	57,600	135,300
1994	6.2	1.45	60,000	140,700
1995	6.2	1.45	62,700	146,700

- Automatic cost of living adjustments are based on the Consumer Price Index. Accordingly, amounts are not known until November of the preceding year.

B. Federal Unemployment Tax (FUTA)

Federal wage bases and tax rates as follows should be utilized:

Federal Unemployment Tax Table*

<u>Year</u>	<u>Wage Base</u>	<u>Tax Rate (%)</u>
1992	7,000	0.8
1993	7,000	0.8
1994	7,000	0.8
1995	7,000	0.8

* Current legislation proposes an increase in the FUTA wage base to \$27,000 beginning in 1993 and will be indexed in future years. In 1993 the FUTA tax rate is scheduled to decrease to .3% and will again in 1997 to .25%. Proposal removes tie-in to state wage base. Thus, there is no anticipated affect to SUTA.

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7.3 Taxes Other Than Income (continued)

C. State Unemployment Tax

The projected wage base to be utilized for state unemployment taxes is as follows:

Unemployment Tax Wage Base Table

<u>State</u>	<u>1992-95 Wage Base (\$)</u>
Alabama	8,000
District of Columbia	8,000
Florida	7,000
Georgia	8,500
Kentucky	8,000
*Louisiana	8,500
Mississippi	7,000
North Carolina	12,100
South Carolina	7,000
Tennessee	7,000

Tax rates to be applied should reflect the experience factors of each company.

- * Louisiana law requires a special assessment (in addition to the regular unemployment tax) of 1.4% of the first \$15,000 of wages paid to each employee. The \$15,000 cap may be increased if additional revenue is needed to service the state's debt.

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 BELLSOUTH TELECOMMUNICATIONS, INC.
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7.3 Taxes other Than Income (continued)

D. Federal communications excise tax

The federal communications excise tax of 3.0% was made permanent by the 1990 Tax Act.

E. Public Utility Taxes

Public utilities taxes based on gross receipts, if applicable, should be computed using rates appropriate for each state or local jurisdiction imposing such a tax.

F. Ad valorem Taxes

The following ratios may be used for purposes of computing ad valorem taxes. Computations should reflect mileage rates (and equalization rates if applicable) appropriate for the jurisdiction(s) being computed.

Ad Valorem Tax Table

<u>State</u>	<u>Unregulated Assessment Ratio (%)</u>	<u>Regulated Assessment Ratio (%)</u>
Alabama	20.0	30.0
Florida	100.0	100.0
Georgia	40.0	40.0
Kentucky	100.0	100.0
Louisiana	15.0	25.0
Land	10.0	10.0
Mississippi	15.0	30.0
North Carolina	100.0	100.0
South Carolina		
Real Property	6.0	10.5
Personal Property	10.5	10.5
Tennessee		
Real Property	40.0	55.0
Personal Property	30.0	55.0

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BELLSOUTH TELECOMMUNICATIONS, INC.
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7.4 Other Tax Considerations

A. Bell Communications Research, Inc. (BCRI)/BST

1. Dividend distributions from BCRI are included in BST's taxable income. For federal income tax purposes, a 70% dividends received deduction is allowed. For state income tax purposes the dividend is allocated entirely to Alabama.
2. Gain or loss previously deferred by BellSouth Services on intercompany sales will continue to be reported over the depreciable life of the assets for federal income tax purposes. Any remaining deferred gain or loss is recognized upon the sale of the asset outside of the BellSouth group.

B. Customer Premise Equipment (CPE)

Gain or loss from the sale of CPE is recognized in the year of sale using the First-In, First-Out (FIFO) inventory method, valued at the lower of cost or market. An exception applies to Customer Premise Equipment (CPE) and installations which are being accounted for under the completed contract method of accounting as Construction in Process (CIP).

Revenues and expenses must be computed using the percentage of completion method.

C. Nonrecurring or unusual transactions should be referred to BellSouth tax personnel for determination of proper tax treatment.

D. Tax Contingencies

Accruals for contingent tax liabilities in 1992 and afterward should be budgeted quarterly in March, June, September, and December of each year. The Tax Department will provide contingent tax liability information.

Payments of previously contingent (now actual) tax liabilities should be budgeted in the month of anticipated payment.

Accruals of contingent tax liabilities related to prior periods should be booked on an FR basis for regulated entities.

**FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
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6.0 Financial Guidelines

8.1 Advances and Equity Infusions

The amount and timing of any advances and/or equity infusions from BellSouth Corporate Headquarters must be coordinated with Mr. J. D. Grenfell, Corporate Manager, BellSouth Treasury - Global Financial Planning, prior to inclusion in the view.

8.2 Dividend Policy

Dividends for BST will be declared monthly, and payments will be made on a monthly basis to BellSouth Headquarters. The expected payment date is the first work day of each month and dividends will be based on the net income of the preceding month.

- A. Dividends for BellSouth Business Systems and its subsidiaries will be declared quarterly, and payments will be made on a quarterly basis to BellSouth Headquarters. Dividends payout is administered on a company-by-company basis, and is set at 100% of net income, or 100% of valuation cashflow-available less interest and debt repayment, whichever is greater.

8.3 Financial Objectives

The financial objectives will be provided under separate cover. However, the current Commitment View numbers for 1992 and 1993 are to be considered the standard and, only incremental updates will be provided.

**FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
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Dividend Assumptions

9.1 BellSouth Telecommunications, Inc.

- A. BellSouth Telecommunications, Inc. receives a quarterly dividend from Bellcore Communications Research, Inc. (BCRI).

The following is a projection of the BCRI dividends to BST:

**Bell Communications Research, Inc. Dividends
(\$M)**

<u>Entity</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
BST	4.4	4.4	4.4	4.4

**FINANCIAL PLANNING ASSUMPTIONS
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10.0 Revenue Assumptions

10.1 Revenue Rate Base

All price changes resulting from rate cases anticipated to be effective after August 1, 1992 should be identified as expected rates as detailed in the Guidelines for Preparing Financial Views. Any price change that has been implemented prior to August 1, 1992 or for which accruals are being made should be included in the appropriate revenue category. Price changes which may have been ordered by the commissions prior to August 1, 1992 but which will not be actually implemented until after August 1, 1992 should be identified as expected rates. The revenue data provided via the Forecasting organizations data base should reflect a Rate Base Date of January 1, 1992. Differences between the final commitment tracking view, as transmitted via income statements, and the forecasting organizations 1-1-92 transfer base revenues should be reconciled as specified in the Guidelines for preparing Financial Views.

To the extent that new products/services are planned to be tariffed outside of a general rate case, they should be included in the August 1, 1992 rate base. The incremental impact of these new products should be identified as specified in the Guidelines for Preparing Financial Views.

10.2 Interstate Access Charges

Common Line (NTS) and Traffic Sensitive (TS) revenue forecasts shall be produced on a Billed/Earned revenue basis and on a revenue requirement basis as detailed below. Each of the two revenue categories (NTS) and (TS) shall be forecast separately by PSUB.

Interstate revenue and expense and resulting net income and rate of return should be budgeted consistent with latest available agreed upon estimates from BST Regulatory (Attn: Bob Scheye). Revenue transfer payments should be budgeted consistent with the regional rate of return as determined above.

Due to FCC monitoring on a calendar year basis and tariff filing schedule on July - June basis, it will be necessary for demand and revenue to be estimated in half year increments.

Part 36 of the FCC Rules and Regulations provided for a Universal Service Fund (USF) effective January 1, 1986. The USF is designed to provide expense relief for exchange carriers providing service in states that qualify for high cost assistance. This assistance is received monthly from NECA as an adjustment to revenues. These revenues should be budgeted in the appropriate PSUB and should be additions to or subtractions from the rate of return derived forecast. The view should reflect the reimbursement estimates for the Company as a separately identified item as detailed in the Guidelines for Preparing Financial Views.

FINANCIAL PLANNING ASSUMPTIONS
BELLSOUTH TELECOMMUNICATIONS, INC.
1992 Pre-Commitment View of 1993 - 1995

10.3 Revenue Impacts of Bypass/Competition

- A. The lines of Business planning process shall be the source of product specific assumptions to assist BST in the projection of the impacts of competition on demand and revenue. The incremental revenue impacts, both positive and negative, due to competitive activity or response, should be identified and reflected throughout the forecast period. The impact on development and usage should also be quantified and reflected in demand forecasts.
- B. For each competitive activity identified, the impact should be detailed by revenue category affected - Local, IntraLATA Toll, Intrastate InterLATA Access, Interstate InterLATA Access, and Miscellaneous.
- C. Specific data requirements and submittal format are provided in the Guidelines for Preparing Financial Views.

10.4 Lines of Business

Revenue forecasts for BST should reflect the strategies and assumptions consistent with the BellSouth Services Strategic Framework for BellSouth's Regulated Entities. Revenues and associated demand quantities shall be provided by LOB product categories as shown in the Guidelines for Preparing Financial Views.

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993 - 1995

Schedule

The key dates for this view are as follows:

- | | |
|-------|---|
| 12/1 | Revised Headquarter's Prorate Factors loaded into RTAP |
| 12/17 | Data input to RTAP complete by 12:00noon EST.
TELOP full budget details due in RTAP
BBS and BSP forecasts due to CBA
Tracking level detail |
| 01/14 | Budget data processed by Corporate Budget System |
| 01/22 | Transmit to BellSouth Corporation |

GUIDELINES FOR PREPARING THE OCTOBER 9, 1992 PLANNING VIEW OF 1992-95

9B. 1992 BUDGET SCHEDULE - KEY DATES

- May-Jun Capital Budget Video Conferences with Profit Centers
- May-Jul Presidents' Profit Center Meetings
- Jun mid Group Organizations work sessions with FM/A
- Jun 8-11 Senior Manager Conference
- Jul 14 FSPC: Tentative Approval of Capital Budget and discussions of Financial Goals to be committed to BellSouth on Jul 31.
- Jul 31 Communicate 1993-95 BST Financial Performance Objectives to BellSouth (Net Income, Cash Flow, and Capital)
- Aug 10 * Telephone Operations Employee forecast due in RTAP
- Aug 12 * Telephone Operations Revenue forecast due in RTAP
- Aug 14 * Telephone Oprns Expense, Clearing, and Construction forecasts due in RTAP
NOTE: all forecasts expected to match pre-approved BST targets.
- Sep 3 * BBS & BSP Income Statements and Balance Sheets due to CBA.
- Sep 3 CBA produces Telephone Oprns Income Statements with Rates.
- Sep 9-11 EPC Planning Conference
- Sep 10 * CBA produces BST Consolidate Income Statements & Balance Sheets.
- Sep 21-22 FPSC: Review State and Subsidiary Profit Center plans relative to 1993-95 Financial Performance Objectives.
- Oct 2 EPC: Final budget review prior to submittal to BSCorp
- Oct 9 October 9, 1992 Planning View submitted to BSCorp
- Nov 9 * Telephone Oprns final forecast of Revenue, Expense, Clearing, Construction, and Employees due in RTAP; expected to match budget approved on Sep21-22.
- Nov 13 BSCorp Chairman's Meeting
- Nov 16 * BBS & BSP final Income Statements and Balance Sheets due to CBA; expected to match budget approved on Sep21-22.
- Nov 20-30* Planned RTAP machine moved from Atlanta to Charlotte.
- Dec 1 * CBA produces Telephone Oprns Income Statements with Rates.
- Dec 8 * CBA produces BST Consolidated Income Statements & Balance Sheets
- Dec 15 * December 15, 1992 Planning View transmitted to BSCorp

* denotes changes since 4/9/92

GUIDELINES FOR PREPARING THE TRACKING VIEW OF 1993-95

5D. DATA REQUIREMENTS - TELEPHONE OPERATIONS - EMPLOYEE DATA

A. Budget Collection

Employee data will be collected via RTAP release 2.0. The departments should submit this data by December 17, 1992 and notify Lucille O'Hara (404)529-6644 of the view version that contains employee data. (See Input Strategies, Section 3 of Budget Guidelines.) If you have any questions concerning employee budget data, contact Steve Fitzgerald at (404)529-7035.

The information must contain the following data as a minimum:

- 1) by AVP
- 2) by State
- 3) End-Of-Period data by month for 1993. 1994 and 1995 should be annual amounts.
- 4) Base year is 1993
- 5) Job Status Indicator (JSI)

Guidelines for Preparing the
Tracking View of 1993-1998

7. Financial Planning Assumptions

BST BUDGET ACCOUNTABILITY GUIDE

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BST BUDGET ACCOUNTABILITY GUIDE

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New Material	Various	57
Office Equipment - Office Support	6123.1	59
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Official Communications - Airtime	Various	62
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BST BUDGET ACCOUNTABILITY GUIDE

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BST BUDGET ACCOUNTABILITY GUIDE

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	Official Communications	
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	Other General and - 6728.9	76
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7240.1000	Taxes Other Than Income - Property/Other	97
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BST BUDGET ACCOUNTABILITY GUIDE

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Various	Capitalized Lease Credit	32
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Various	Special Material Services	94
Various	Training	99
Various	Tuition Aid	102

BST BUDGET ACCOUNTABILITY GUIDE

INTRODUCTION

Coincident with the formation of BellSouth Telephone Operations (BST) in 1991, a BST Budget Review Team was established. This team was charged with addressing requirements for forecasting and tracking future budgets and actual expense data to reflect the BST operation. When addressing the procedures for budgeting in the future, this committee recognized that the structural change brought about by the BST announcement represented an opportunity to reexamine the question of budget accountability.

The Budget Review Team determined that wherever possible, accountability for budget and actuals expenditure data will remain with the organization responsible for controlling the costs. The practice, known as RC chargeback, of reassigning departmental responsibility to selected expense areas would be eliminated, where possible, from financial accounting processes. However, distributing costs to Functional Accounting System Codes (FASC) other than RCs, regulatory jurisdictions, billing authorizations, etc. will still be required. Minimizing RC chargeback will result in improved alignment of responsibility with accountability for incurred expenditures within each organization. This change in approach to budgeting will be known as Responsibility Code Accountable (RCA) budgeting or service provider budgeting.

Although BST may not require RC chargeback for budget purposes, the need to know which organizations are benefitting from costs incurred in selected expense areas still exists. These business needs are being individually addressed in the management accounting arena and will not be covered in this Guide.

The Budget Accountability Guide was developed through the efforts of a BST intersegment team and applies to budget years 1992 and forward. Its purpose is to provide information to budget staffs on expenses that require special consideration from a budget perspective. The expenses are identified according to the account they are classified to, such as Engineering Expense (Account 6535), or according to the type of expense, such as compensated absence, when that expense impacts numerical accounts. Note accounts and/or expense areas where there are no accountability change are not included in the Guide and are to be treated as budgeting business as usual. Budgeting business as usual means budgeting for the same types of expenditures as in the past with the exceptions documented in the Guide.

BST BUDGET ACCOUNTABILITY GUIDE

FORMAT OF THE GUIDE

The Guide includes information on selected accounts and expense areas where the expenses impact numerous accounts. Each section is composed of a description, an accounting overview, a methods and procedures contact, an explanation of budget accountability, and a budget contact.

The description for accounts is a synopsis of what is explained in detail in the BellSouth Corporation Accounts and Subsidiary Record Categories document. If more detail is required, please consult this document. The accounting overview is a summary of the accounting requirements. If more information is needed, consult the methods and procedures contact appropriate for the account or expense area.

For questions on how to budget for this expense, consult the budget contact specified. Any questions regarding the use of Corporate/Administrative RCs should be referred to the BST Comptrollers Corporate Budget Administration District.

Questions on budget accountability policy should be directed to the BellSouth Financial Management Methods Team (BFMMT). This team consists of members from each Group President's Budget Organization, Comptrollers and Information Systems. A list of team members is included in the Guide. If you have budget accountability or tracking issues for analysis and resolution, contact your representative on the BFMMT.

The account and expense area sections are prefaced with a Budget Accountability Summary highlighting current changes in policy.

FUTURE REVISIONS

Maintenance of this Guide will be the responsibility of the Comptrollers Budget/RTAP Support District. This will include compiling information for updates, securing intersegment concurrence, and issuing revisions.

BST BUDGET ACCOUNTABILITY GUIDE

BELLSOUTH FINANCIAL MANAGEMENT METHODS

BST BUDGET ACCOUNTABILITY GUIDE

BELLSOUTH FINANCIAL MANAGEMENT METHODS

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BST BUDGET ACCOUNTABILITY GUIDE

BELLSOUTH FINANCIAL MANAGEMENT METHODS

BST BUDGET ACCOUNTABILITY SUMMARY

DESCRIPTION	ACCOUNT	BUDGET ACCOUNTABILITY	92 vs. 93 CHANGE
Aircraft	6113	PPSM Aviation	No
Amortization	6563 6564 6565	Intangible: Corporate Budget Staff to Corporate RC Intangible: N/A Other: N/A	No - -
Authority Based Billing System	Various	Contract Administration (Off-setting credits to Corporate RC)	No
BellCore	Various	Projects - Coordinated by Regulatory Affairs Based on Information from Departments Managing the Work Usage Sensitive - Dept. Using Service Conduit - Dept. Receiving Service	No
BellSouth Corporate Services Billing and Special Project-Related Billing	Various	Project-Related - Department using or benefitting from project Non-project Related - Coordinated by Corporate Budget Staff to Depart- ment RC based on information from BellSouth Corp.	No No
Benefits/Pensions	8701.1 8701.6	BellSouth Human Resources	No

BST BUDGET ACCOUNTABILITY SUMMARY

DESCRIPTION	ACCOUNT	BUDGET ACCOUNTABILITY	92 vs. 93 CHANGE
Billing Between BST and BBS	Various	BBS to BST: State Division Presidents' Staffs based on BBS Sales Company input BST to BBS: Usage Billing - BBS ABBS Billing - Contract Administration based on BST departmental input	No
Capitalized Lease Credit	Various	Corporate Budget Staff	No
Compensated Absences	Various	Corporate Budget Admin. - BST Staff (Embedded Absence Amortization) (Periodic Adjustment to Liability) (Periodic Adjustment to Liability)	No
Depreciation	6561 6562	In Service: Capital Recovery Future Use: N/A	No -
Engineering Clearance	8705	Departments	No
Engineering	6535	Organization Reporting Engineering Hours (Indirect Supervision & Staff Support) Organization Reporting Classified Hours (Unclassified Costs) Organization Reporting Hours to 6535 (General Engineering Expense)	No
EPLC/CLC	Various	Trainees - All Expenses: HR Training Conferences - Lodging, support: HR Training Food: Dept. expense Travelers - Same as conferences Relocated Emp - All expenses: Dept.	Yes Yes Yes No

BST BUDGET ACCOUNTABILITY SUMMARY

DESCRIPTION	ACCOUNT	BUDGET ACCOUNTABILITY	92 vs. 93 CHANGE
Furniture and Artwork	6122	PPSM	No
Garage Work Equipment	6115	PPSM - Fleet Management	No
General Purpose Computer	6124	Organization Incurring the Expense (Primarily Info. Systems)	No
Information Management	6724	Organization Incurring the Expense (Primarily Info. Systems)	No
Land and Building	6121	Security Org. - Security Svcs. PPSM - All Other	No
Modified Access Based Compensation - FL	6540	Bell Industry Relations	No
Motor Vehicle	6112	M.V. Used for Plant Functions: - Plant Forces Who Use Vehicles Will Budget Debit - Clearance credits will be budgeted to the Corporate RC All other M.V. - PPSM Fleet Management	No
New Material	Various	Department Using the Material	No

BST BUDGET ACCOUNTABILITY SUMMARY

DESCRIPTION	ACCOUNT	BUDGET ACCOUNTABILITY	92 vs. 93 CHANGE
Office Equipment - Office Support	6123.1	Reproduction and Graphics Eq. Reproduction Eq. lease and maintenance in No. Fla. (located outside head- quarters) used by multi-departments; No RC chargeback - PPSM Client Services All other - Department using the equipment	No
Office Equipment - Company Communications	6123.2	Network (Including Pager Rentals)	No
Official Communications - Airtime	Various	Department Using Airtime	No
Other Cost Based Billing	Various	Direct charges - Department Performing the Work Overhead and Investment Related Costs - Contract Administration	No
Other General and Administrative Services	6728		
- Benefit Expenses	6728.1	BellSouth Corporate Human Resources	No
- Accidents and Damages (including damage plant)	6728.2	Departments	No
- Corporate Insurance	6728.3	Comptrollers - Corporate Matters	No

* Only addresses BOC budget accountability changes.

BST BUDGET ACCOUNTABILITY SUMMARY

DESCRIPTION	ACCOUNT	BUDGET ACCOUNTABILITY	92 vs. 93 CHANGE
- General Security	6728.4	Security	No
- Administrative Services	6728.5	Organization Providing the Centralized Service (Administrative Services)	No
- Telecommunications - Official Communications	6728.5	Corporate Communications	No
- IntraCompany Investment Compensation	6728.7	Comptrollers - Corporate	No
- Equal Access Amortization	6728.8	Comptrollers - Corporate	No
- Other General and Administration	6728.9	Telephone Pioneer Expense - Public Relations Compensated Absence Amortization - Comptrollers Corporate Budget AT&T Unbillable Messages - Billing Management	No No No
Items Charged to Corporate RC	Various	Coordinated by Comptrollers - Corporate Budget Staff	No

BST BUDGET ACCOUNTABILITY SUMMARY

DESCRIPTION	ACCOUNT	BUDGET ACCOUNTABILITY	92 vs. 93 CHANGE
Other Work Equipment	6116	Other Work Equipment for Plant Oper: - Plant Oper. Using the Equipment Will Budget Debit - The clearance credit will be budgeted to the Corporate RC All Other Charged to Organization Incurring Expense	No
Payroll Taxes	8701.8 8701.9	BellSouth Corporate Tax Department	No
Plant Clearance	8710	Departments	No
Plant Operations Administration	6534	Organization Reporting Labor Hours (Indirect Supervision & Staff Support) Organization Reporting Classified Hours (Unclassified Costs)	No
Power	6531	PPSM	No
Procurement	6726	PPSM	No
Provisioning	6512	Department with Employees Performing the Work (i.e. PPSM and Network) Clearances to Corporate RC (Coordinated by Corporate Budget Department Using Material Corporate Communications Provisioning Expense - PPSM	No No No No

BST BUDGET ACCOUNTABILITY SUMMARY

DESCRIPTION	ACCOUNT	BUDGET ACCOUNTABILITY	92 vs. 93 CHANGE
Research/Engineering Amortization - LA	6727	Corporate Budget staff based on data from Comptrollers Regulatory Accounting	No
Special Material Services	Various	PPSM	No
Special Purpose Vehicle	6114	PPSM - Original Expenses Clearance credits are budgeted to Corporate RC Forces Who Use the Vehicle - Debits	No
Taxes Other Than Income - Property/Other - Gross Receipts	7240.1 7240.2	Corporate Budget Staff to Corporate RC based on data from Tax Office	No
Telecommunications Equipment - Data (FRC 630M)	6124	Network	No
Training	Various	1. Executive Training from outside BST - User's Job Function Code and RC 2. Tuition Based - Training Department 3. Generic Management Training - Training Department 4. BellSouth Management Institute - User's Job Function Code and RC 5. All other - Training Department	No No No No No
Tuition Aid	Various	1. Management Tuition Aid Plan - Human Resources 2. Non-management Tuition Aid Plan - Human Resources 3. Other tuition payments - Departmental Expense	Yes No No

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Aircraft Expense

ACCOUNT: 6113

DESCRIPTION: This account includes the costs of maintaining and repairing Aircraft classified to Account 2113. Included are such costs as fuel, flight crews, mechanics and ground crews, licenses and inspection fees, washing, repainting, and minor accessories such as oil, tires and tubes, etc.

ACCOUNTING OVERVIEW: No transfers to other accounts will be made from Account 6113 for internal BST transactions. Affiliate use of aircraft services will result in billing from Account 6113.

The aircraft expense incurred on the shuttle aircraft will be prorated to the nine states based on the Headquarters "General Allocator" percentages. Executive aircraft expenses will be prorated to the nine states based on the percentages calculated for historical usage.

BUDGET ACCOUNTABILITY: The PPSM Aviation organization will have budget accountability for this account. No ridership chargeback will occur except for appropriate billing for affiliate usage. Any affiliate usage billing will be budgeted and charged to the Corporate RC (0XX00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Amortization Expense - Tangible

ACCOUNT: 6563

DESCRIPTION: This account includes only the amortization of costs for investments classified to Account 2681, Capital Leases and Account 2682, Leasehold Improvements.

ACCOUNTING OVERVIEW: The Corporate Reports Office prepares monthly amortization accruals manually using General Purpose Key punch Forms (GNPRs) to charge the amount of amortization for Account 2681, Capital Leases. Each month, the Land and Building system mechanically computes and journalizes the monthly amortization accruals for all investment balances in Account 2682, Leasehold Improvements based on the term of the lease.

BUDGET ACCOUNTABILITY: The Corporate Budget Staff will be responsible for budgeting these expenses to the Corporate RC (OXD00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Amortization Expense - Intangible

ACCOUNT: 6564

DESCRIPTION: This account includes the amount necessary to cover such portions of the lives of limited term franchises, patents, organization, and similar intangible property included in the telephone plant account, as have expired during the month. Account 3500, Accumulated Amortization - Intangible is credited with amortization amounts concurrently charged to this account. The cost of other intangible assets having a life of one year or less shall be charged directly to this account. Intangibles acquired at small cost may also be charged to this account.

ACCOUNTING OVERVIEW: The Corporate Reports Office prepares monthly amortization accruals manually using General Purpose Key punch Forms (GNPRs) to charge the amount necessary to cover such portions of the lives of limited term franchises, patents, organization, and similar intangible property as necessary.

BUDGET ACCOUNTABILITY: This expense is not of sufficient magnitude to be a budget item.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Amortization Expense - Other

ACCOUNT: 6565

DESCRIPTION: This account should be charged or credited with such amounts as may be authorized by the Federal Communications Commission to be included in operating expenses under a specific amortization plan. Currently this account includes the following as prescribed by the FCC. This account includes amounts to be charged or credited under a plan to amortize amounts in Account 2005, Telecommunications Plant Adjustments. Account 3600, Accumulated Amortization - Other is credited or charged with amortization amounts concurrently charged to this account. This account also includes amounts to be charged to amortize amounts of embedded items of small value (costing less than \$500).

ACCOUNTING OVERVIEW: Each month, the Cost Office prepares amortization accruals manually using General Purpose Key punch Forms (GNPRs) to amortize telecommunications plant acquisition adjustments. Also, the Cost Offices prepare monthly amortization accruals manually using GNPRs to amortize embedded items of small value based on the net plant amounts in the various small value investment and depreciation accounts divided by the number of months remaining in the amortization period.

BUDGET ACCOUNTABILITY: Capital Recovery has the primary budget responsibility for this expense. Capital Recovery submits its forecast to the Corporate Budget staff who enters the data to the budget system. This item is charged to the Corporate RC (0XD00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Authority Based Billing System (ABBS)
and Non-Affiliate Billing Handled
Through ABBS

ACCOUNT: Various

DESCRIPTION: This covers cost based billing to
affiliates and, to a limited extent,
non-affiliates.

ACCOUNTING OVERVIEW: Billing authorities are populated on
source documents (i.e. vouchers) and
sent through the Financial Processor. In
the subsequent month, ABBS receives the
billing records, loads them with
overheads and issues the bills.

BUDGET ACCOUNTABILITY: The off-setting credits resulting from
the direct charges and overhead expense
being billed will be budgeted to the
appropriate expense accounts to the
Corporate RC (OXX00000) by Contract
Administration. The credit for billing
of investment related costs will also be
budgeted by Contract Administration to a
revenue account using the same Corporate
RC.

NOTE: Refer to the Other Cost
Based Billing for questions
concerning government work and
custom work.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: BellCore Billing

ACCOUNT: Various

DESCRIPTION: Billing from BellCore can be grouped into three categories:

1. Projects
2. Usage Sensitive
3. Conduit

ACCOUNTING OVERVIEW: Projects - This billing is negotiated between BellCore and BST on an annual basis.

Usage Sensitive and Conduit - These types of billing are provided in the BellSouth Corporation Financial Assumptions.

BUDGET ACCOUNTABILITY: Projects - The dollars for each project are assigned an AVP or VP level RC of the organization that manages the work, FSUB, and ETG (P4A). Regulatory Affairs will advise the appropriate departmental budget coordinators of the project expense included in the budget for their organizations.

Usage Sensitive - BellCore provides certain Usage Sensitive services such as Lisle, BCR TEC, Training, etc. These "Usage Sensitive" costs are budgeted to departmental expense accounts using BOC ETGs. The dollars for these estimates should be budgeted to the appropriate departmental RC, FSUB, and ETG by the departmental budget coordinator.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: BellCore Billing (Cont'd)

ACCOUNT: Various

BUDGET ACCOUNTABILITY: Conduit - BellCore will serve as the billing agency (conduit) for several projects being performed by entities such as other RBOC's and AT&T. The expenses for these "Conduit Billing Projects" are budgeted by the receiving department or organization and are charged to ETG P4A.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: BellSouth Corporate Services Billing and Special Project-Related Billing

ACCOUNT: Various

DESCRIPTION: As a holding company, most BellSouth Corporation costs are distributed to its affiliated companies. Some of these costs are tax, legal, advertising, executive, etc. types of expenses.

ACCOUNTING OVERVIEW: BellSouth Corporation costs are divided into those that are project and non-project related. They are charged to ETG P2A.

BUDGET ACCOUNTABILITY: Project related costs are charged and budgeted by the departments who use or benefit from the project.

Non-project related costs (i.e. all other costs that are not project related) are charged and budgeted at the Departmental RC level. The Corporate Budget staff has the responsibility to coordinate assignment of these costs as provided by BellSouth Corporation and communicate the assignment amounts to the functionally appropriate BST department for inclusion in its budget.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Benefits/Pensions

ACCOUNT: 8701.1 - 8701.6

DESCRIPTION: This account includes benefit costs for active employees. Such cost includes pension accruals; medical, dental, and vision expenses; group life and company matching portions for savings plans.

See the discussion for Account 6728 for other benefit related expenses, such as benefit department operation, accident and disability payments to active employees for on duty accidents, and all benefit costs of retired employees.

ACCOUNTING OVERVIEW: Expenses which are initially booked to Account 8701 will be cleared to expense or construction accounts based on salaries and wages.

BUDGET ACCOUNTABILITY: BellSouth Corporate Human Resources is responsible for budgeting benefits and pensions throughout the entire BST organization. Benefits/pension expenses are budgeted to the Corporate RC (0XB00000).

However, segments should still include the salary/wage cost for the six days employees are absent due to sickness in their budgets as departmental expense. Segment budget staffs should decrease their salary/wage forecast by some estimate of employee time on sick leave beyond the initial six days.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Billing Between BST and BBS

ACCOUNT: Various

DESCRIPTION: This section covers cost being billed from BellSouth Business Systems (BBS) to BST and from BST to BBS. (As a convention in this section the term BBS refers to BBS and/or any one of its subsidiaries: BCS, Sales Co./BCI, CPE Services, FINS and Dataserv.)

ACCOUNTING OVERVIEW: Billing from BBS (Sales Co.) to BST:

The Sales Company will be a subsidiary of BBS providing sales activities for BST network and in region CPE services and products. The Sales Company will be a cost center (no revenue sources) and therefore will bill out all expenses to its two clients, BST and BCS. All cost will be billed based on time reported by the sales employees.

BST will be billed all costs associated with the sales effort for BST network services and products. The large majority of this is regulated sales. However a small piece of the billing will be associated with non-regulated services such as MemoryCall, TUG, Inside Wire, ...

Billing From BST to BBS:

All BBS subsidiaries will be billed for services provided by BST. These services include but are not limited to the following:

- Land and Building Occupancy
- Administrative Services
- Motor Vehicles
- Mechanized Systems
- Office Rearrangements
- Training
- Aircraft Usage

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Billing Between BST and BBS (Cont'd)

ACCOUNT: Various

ACCOUNTING OVERVIEW: (Cont'd)

- Product/Inventory Purchases
- Record Retention Storage Center
- BST Staff Cost
- Corporate Communications

BUDGET ACCOUNTABILITY: Billing from BBS (Sales Co.) to BST:

The forecast of the billing to BST will be prepared by the Sales Company in BBS. BBS will pass off the nine state forecast to the BST incoming billing Contract Administrator. The Contract Administrator will coordinate with Revenue and Expense Management to include the forecast in the states' budgets. These dollars will be budgeted in a unique ETG and two unique FSUBS (one for regulated and one for non-regulated). These FASC codes have not currently been assigned. These amounts will be budgeted using the state division president RC.

Billing From BST to BBS:

For the items which are billed via Authority Based Billing System (ABBS), the appropriate BST groups will be asked by Contract Administration to forecast the amount of anticipated cost incurred on behalf of BBS. Contract Administration will compile the forecast, apply the appropriate loadings and pass the forecast off to BBS. Contract Administration will be responsible for inputting the billing credits to the Corporate RC (OXX00000) in the budget collection system (see Authority Based Billing System Section).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Billing Between BST and BBS (Cont'd)

ACCOUNT: Various

BUDGET ACCOUNTABILITY: (Cont'd)

For the items billed on a usage sensitive basis (Aircraft, Training, Product/Inventory Purchases, Corporate Comm.), BBS will build its own forecast based on intended usage levels.

Contract Administration will provide assistance on the appropriate charges per use.

The billing credits for these services will be budgeted to the Corporate RC (OXX00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Capitalized Lease Credit

ACCOUNT: Various

DESCRIPTION: The accounting for leases is based on the theory that a lease that transfers substantially all of the benefits and risks of ownership should be classified as a capital lease and accounted for as the acquisition of an asset and the incurrence of an obligation by the lessee. These assets are expensed by amortizing the asset.

ACCOUNTING OVERVIEW: When a lease is capitalized, it is treated as if purchased and is expensed by amortizing the cost over the life of the lease period. This cost is recorded in Account 6563.1000, Amortization Expense - Capital Leases. At the same time, rent payments on the lease are recorded to the appropriate expense account such as 6123.1000 (430M), Office Equipment Expense. The accounting process records a capitalized lease credit to 430M which reduces rent expense. The accounting process essentially reclassifies rent expense to amortization expense.

BUDGET ACCOUNTABILITY: The Corporate Budget staff will forecast this expense based on actuals data provided by Corporate Matters. This expense will be charged to the Corporate RC (0XX00000).

BST BUDGET ACCOUNTABILITY GUIDE

- SUBJECT:** Compensated Absences
- 1) Amortization
 - 2) Periodic liability adjustments
- ACCOUNT:** Various
- DESCRIPTION:** Compensated absences are defined as employee absences for vacation, optional holidays and personal (excused paid) days.
- ACCOUNTING OVERVIEW:**
- 1) Amortization of the pre-1988 liability for Embedded Compensated Absences will continue on a monthly straight line basis through 1997. The monthly charge is to Account 6728.9 with the corresponding credit to Account 1439, Deferred Charges, utilizing the Corporate RC (0XX00000).
 - 2) On a going forward basis, periodic adjustments to the liability for compensated absences is required. This will be charged to the various salary and wage accounts with a corresponding entry to Account 4120, Other Accrued Liabilities. The amounts are charged to the various FC's and departmental RC's.
- BUDGET ACCOUNTABILITY:**
- 1) The embedded compensated absence amortization will be forecast solely by the Corporate Budget Administration - BST Staff using the Corporate RC (0XX00000).
 - 2) The periodic adjustment to the liability is to be budgeted by departments, as part of salary and wage assumptions as provided by the Revenue and Expense management organization.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Depreciation Expense -
Telecommunications Plant in Service

ACCOUNT: 6561

DESCRIPTION: This account includes the depreciation expense of investment in Accounts 2112 - 2441, inclusive. The account includes the amount of depreciation charges applicable to the accounting period for all classes of depreciable telecommunications plant in service. The account also includes those charges arising from the amortization of in service plant (inside wire), network terminating wire transfers, and depreciation reserve imbalance. Account 3100, Accumulated Depreciation, is credited with depreciation amounts concurrently charged to this account.

ACCOUNTING OVERVIEW: Each month, the State Area Records System (STARS) mechanically applies depreciation rates, calculated by the Headquarters Capital Recovery organization and approved by the FCC, to all investment balances in the telecommunications plant accounts to compute the monthly depreciation accruals. The Cost Offices have the ability to manually prepare depreciation and amortization accruals using General Purpose Key punch Forms (GNPRs) as necessary.

BUDGET ACCOUNTABILITY: Capital Recovery has the primary budget responsibility for this expense. Capital Recovery submits its forecast to the Corporate Budget staff who enters the data to the budget system. This item is charged to the Corporate RC (OXD00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Depreciation Expense -
Property Held for Future
Telecommunications Use

ACCOUNT: 6562

DESCRIPTION: This account includes the depreciation
expense of investment included in
Account 2002, Property Held for Future
Telecommunications Use.

ACCOUNTING OVERVIEW: Each month, the Land and Building system
mechanically applies depreciation rates,
calculated by the Headquarters Capital
Recovery organization and approved by
the FCC, to all investment balances in
Account 2002 to compute the monthly
depreciation accruals. The Cost Offices
have the ability to manually prepare
depreciation and amortization accruals
using General Purpose Key punch Forms
(GNPRs) as necessary.

BUDGET ACCOUNTABILITY: This expense is not of sufficient
magnitude to be a budget item.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Engineering Clearance

ACCOUNT: 8705

DESCRIPTION: This account is initially charged with the engineering costs associated with plant operations. Included in this account are the pay and expenses, including pay associated with paid absence time, of work reporting engineering employees and their direct supervision. Also included are the pay and expenses for indirect supervision and staff support as well as the costs of unclassified time. All charges will be cleared from this account based on the reported labor hours to either the reported final account or to Account 6535.

ACCOUNTING OVERVIEW: The costs associated with engineering functions will be initially charged to Account 8705 with separate SRCs identifying the types of costs. All charges to Account 8705 will be cleared to either the reported account or to Account 6535. Based on reported labor hours, hourly rates will be computed and applied to the labor hours to achieve clearance. The final account charged in the clearance process is dependent upon the accounts reported by the reporting employees. Certain types of Account 8705 costs will be charged to Account 6535, instead of being charged to the reported account. Refer to Account 6535 for detailed descriptions of these types of costs.

BUDGET ACCOUNTABILITY: All charges to Account 8705 will be cleared to the reported accounts or to Account 6535 so that the net effect on the account is zero. However, all segments that expect to incur costs in this account should provide the expense dollars in their budgets.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Engineering Expense

ACCOUNT: 6535

DESCRIPTION: This account includes costs incurred in the general engineering of the telecommunications plant which are not directly chargeable to an undertaking or project. This includes developing input to the fundamental planning process, performing preliminary work or advance planning in connection with potential undertakings, and performing special studies of an engineering nature.

ACCOUNTING OVERVIEW: INDIRECT SUPERVISION

The costs will be charged directly to Account 8705. An average hourly rate will be calculated and applied to reported engineering hours. The applied hour rate amounts will be charged to the accounts associated with the engineering hours except for hours reported to plant specific operations expense accounts. Plant specific operations expense accounts are the central office equipment, terminal equipment, and cable and wire expense accounts. Account 6534 will be charged with the indirect supervision costs for those plant specific operation expense accounts using the Responsibility Code of the associated reported engineering hours.

UNCLASSIFIED COSTS

Hours will be work reported to unclassified productive codes. Average hourly rates will be computed using the total reported engineering hours. The hourly rate applied to unclassified productive hours will be charged to Account 8705 Unclassified Costs. An average hourly rate for Account 8705 Unclassified Costs will be computed and applied to all reported classified productive hours. The unclassified costs associated with engineering hours

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Engineering Expense (Cont'd)

ACCOUNT: 6535

ACCOUNTING OVERVIEW: UNCLASSIFIED COSTS (Cont'd)

reported to plant specific operations accounts (construction and expense) or to plant specific support construction accounts will be charged to Account 6535. Plant specific operations construction accounts are the central office, information origination/termination, and cable and wire facilities construction accounts. Plant specific support construction accounts are the general support construction accounts. For all other reported accounts, unclassified costs will be charged to the account associated with the classified productive engineering hour. Charges to Account 6535 for unclassified costs will carry the Responsibility Code of the associated reported classified engineering hours.

STAFF SUPPORT

These costs will be initially charged to Account 8705 Staff Support. An average hourly rate will be calculated using the reported engineering hours. The hourly rate will be applied to the engineering hours. Account 6535 will be charged with the staff support costs for plant specific operations accounts (construction and expense) and for plant specific support construction accounts. For all other accounts, the reported account will be charged with these costs. The charges to Account 6535 will be at the Responsibility Code level of the reported engineering hours.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Engineering Expense (Cont'd)
ACCOUNT: 6535
ACCOUNTING OVERVIEW: (Cont'd)

GENERAL ENGINEERING EXPENSE

These costs will be charged initially to Account 8705. Hours will be work reported to general engineering special purpose function codes in Account 6535. Computed hourly rates for Account 8705 costs will be applied to the reported engineering hours. Charges to Account 6535 will carry the Responsibility Code level reported on the engineering hours.

BUDGET ACCOUNTABILITY: INDIRECT SUPERVISION

The costs for indirect supervision should be budgeted by the organization reporting engineering hours. Indirect supervision should be budgeted within the plant specific and plant non-specific accounts, excluding the plant specific operations expense accounts. The budget for Account 6535 should include the costs of indirect supervision for plant specific operations expense accounts.

UNCLASSIFIED COSTS

These costs will be budgeted by the organization from which classified hours are reported. Unclassified costs should be budgeted within Account 6535 for plant specific operations accounts, as well as for plant specific support expense accounts. Plant specific support expense accounts are the general support property expense accounts. For all other accounts, any unclassified costs should be budgeted within the final account.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Engineering Expense (Cont'd)

ACCOUNT: 6535

STAFF SUPPORT

Staff costs will be budgeted by the organization reporting engineering hours. Staff costs should be budgeted within the plant specific support expense accounts, as well as the plant non-specific accounts. Included in the Account 6535 budget should be the staff support costs associated with the plant specific operations accounts and plant specific support construction accounts.

GENERAL ENGINEERING EXPENSE

All amounts cleared from Account 8705 to Account 6535 (engineering rate times hours) will be budgeted by the organization reporting the hours to Account 6535.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: EPLC/CLC
ACCOUNT: Various
DESCRIPTION: See Below
ACCOUNTING OVERVIEW:

EXPENDITURES

	<u>Lodging</u>	<u>Meals</u>	<u>Training Supplies, Equipment & Breaks</u>
BST Trainees in travel status	T	T	T
BST Conferees	T	E	T
BST Corporate business travelers	T	E	N/A
BST in re- location status	E	E	N/A

T - paid by Human Resources Training Dept. (no voucher activity for employee)
E - paid by employee (employee's department expense)

BUDGET ACCOUNTABILITY: Executive Park Learning Center (EPLC)/ Corporate Learning Center (CLC) expenditures include lodging, food services and conference type of expenses.

Lodging, meals, supplies and associated support expenses for BST employees attending training classes at EPLC/CLC will no longer be charged to department expense. Human Resources Training Department will be charged and budget these expenses. These changes will be budgeted to Account 6723 using FSUB 20E0.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: EPLC/CLC

BUDGET ACCOUNTABILITY: (Cont'd)

Conference costs will also be charged to Training and Training will budget these expenses. However, these conference expenses do not include food service associated with conferencing which will continue to be charged to the various accounts based on the job function code(s) of the guest or conference sponsor. Therefore departments must budget their own expense for conference food services.

NOTE: For conference held in company buildings other than the EPLC/CLC, see section titled "Other General and Administrative Expense", Account 6728.5.

BST Corporate business travelers will have their lodging charged to and budgeted by Human Resources. Business travelers' food costs will be charged to and budgeted by the traveler's own department.

BST employees in relocation status staying at EPLC/CLC will have all their expenses (lodging and food) charged and budgeted by their departments.

Any billing credits resulting from affiliate use of EPLC/CLC and its services will be charged to the Corporate RC (0XX00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Furniture And Artwork Expense

ACCOUNT: 6122

DESCRIPTION: This account includes the cost or rental, installation, repair, rearrangements, changes, etc., of Furniture and Artworks included in Account 2122. It also includes individual items of furniture and artworks of small value (generally costing \$500 or less) and items having a life of one year or less. Costs associated with centralized interior planning and design and moves coordination shall be classified to Account 6728, Other General and Administrative.

ACCOUNTING OVERVIEW: The types of expenses described above are charged to this account. There are no other accounting requirements.

BUDGET ACCOUNTABILITY: PPSM (Property Management) will budget and control these expenses.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Garage Work Equipment Expense

ACCOUNT: 6115

DESCRIPTION: This account will be charged with the cost of maintaining and repairing Garage Work Equipment classified to Account 2115. The costs of using this equipment (e.g. gas, oil, rental expense) to maintain motor vehicles, special purpose vehicles, or other work equipment will be charged to the Motor Vehicles, Special Purpose Vehicles or Other Work Equipment Expense Account, as appropriate. This account also includes Garage Work Equipment of minor cost (\$500 or less) or with a service life of less than one year.

Rentals of garage work equipment are also included in this account.

ACCOUNTING OVERVIEW: Part 32 accounting prescribes that this account be charged with the costs incurred with no clearance to construction or other plant specific operations expense accounts.

BUDGET ACCOUNTABILITY: Garage work equipment expense will be budgeted by the organization responsible for the operation of the garage (PPSM - Fleet Management).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: General Purpose Computer Expense

ACCOUNT: 6124

DESCRIPTION: This account includes the cost of renting, maintaining and repairing general purpose computers, peripheral and associated equipment classified to Account 2124. Also included is the cost of separately metered power and upgrades and maintenance of operating system software for general purpose computers. This account also includes the cost of specialized training for general purpose computer operations.

NOTE A: The purchase and maintenance of application software should be charged to Account 6724, Information Management.

NOTE B: Other costs for Account 6124 (FRC 630M) are described in the Telecommunications Equipment - Data section of this Guide.

ACCOUNTING OVERVIEW: Two types of expenses are charged to Account 6124. There are expenses incurred in a centralized data processing environment and those that are not:

- a) Centralized Data Processing (CDP) expenses - These expenses are not dedicated to any specific telecommunications function and are incurred for computers located in a "CDP" designated cost center (data centers, MOC, etc). Expenses are incurred in these cost centers to provide services to multiple departments and/or functions. These expenses are charged to FRC 930M or Function Codes 150A thru 1519.

NOTE: Additional function codes may be assigned to identify new BST centralized data processing expenses such as training.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: General Purpose Computer Expense
(Cont'd)

ACCOUNT: 6124

ACCOUNTING OVERVIEW: (Cont'd)

CDP charges are journalized on the Headquarters books by/for the data centers and support organizations where incurred. They are general allocated (via CSAP) to nine states in the current month. In the following month, the CDP system reverses the general allocation via CSAP, captures the original Headquarters charges and handles them as follows:

- 1) assigns costs to projects (e.g. TIRKS, LMOS)
- 2) assigns special purpose function codes (SPFC) for use in regulated/non-regulated allocations
- 3) identifies costs to be transferred to benefiting states within BST and,
- 4) identifies costs to be billed to an affiliated company.

The responsibility codes (RC) assigned to CDP costs will be within the Vice President - Information Systems hierarchy (i.e. no chargeback to departmental user RCs is performed).

- b) Non-centralized Data Processing expenses - These expenses are incurred in supporting departmental PCs and peripherals and "off-site" computers (not in a CDP data center) in asset Account 2124. These expenses are charged to FRC 530M. Also included are corporate communications equipment expenses charged to FRC 630M.

Also included are those expenses directly assigned to SPFCs, regulatory jurisdictions and projects or billing authorizations.

The non-CDP costs will remain under the RC code of the organization incurring (service provider) the expense.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: General Purpose Computer Expense
(Cont'd)

ACCOUNT: 6124

BUDGET ACCOUNTABILITY: Expenses referred to as centralized data processing expenses will be budgeted and tracked on an originating basis using FSUB 09D1 and the appropriate ETGs for the incurred expense. IS will budget the credits to FSUB 09D1 using ETG D53 and the IS VP level RC for the centralized expense that is processed through the CDP system. IS will also budget the distributed centralized expense using FSUB 09D0, ETG D56, and the IS VP level RC. There will be no departmental chargeback for distributed centralized expense.

Data Center separately metered power will continue to be forecast by PPSM - Financial Management based on input from Property Management. These expenses should be budgeted on an RCO basis with an appropriate contra entry then RCC charged to the Information Systems 6124 budget, for proper inclusion in the CDP billing to affiliates. A current list of separately metered Data Center power locations is being maintained in PPSM.

Expenses referred to as non-centralized data processing expenses will be budgeted by the organization incurring them.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Information Management Expense

ACCOUNT: 6724

DESCRIPTION: This account includes cost incurred in planning, developing, testing, implementing and maintaining data bases and application systems for general purpose computers. It includes the cost of budget support for the Information Systems organization as well as specialized training for employees whose salaries and wages are classified to this account. This account includes the purchases and maintenance of all software for General Purpose Computers with the exception of Operating Systems Software included in Account 2124 (initial software) and 6124 (upgrade software).

ACCOUNTING OVERVIEW: Two types of expenses are charged to Account 6724. There are expenses incurred in a centralized data processing environment and those that are not:

- a) Centralized information management expenses - These information management expenses are incurred in support of a centralized data processing environment and are charged to FCs 155A thru 1569 and 55C1.

NOTE: Additional function codes may be assigned to identify new BST centralized information management expenses such as budgeting support and training.

CDP charges are journalized on the Headquarters books by/for the data centers and support organizations where incurred. They are general allocated (via CSAP) to nine states in the current month. In the following month, the CDP system reverses the general allocation via CSAP, captures the original Headquarters charges and handles them as follows:

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Information Management Expense (Cont'd)

ACCOUNT: 6724

ACCOUNTING OVERVIEW: (Cont'd)

- 1) assigns costs to projects (e.g. TIRKS, LMOS)
- 2) assigns special purpose function codes (SPFC) codes for use in regulated/non-regulated allocations.
- 3) identifies costs to be transferred to benefiting states within BST and,
- 4) identifies costs to be billed to an affiliated company.

The responsibility codes (RC) assigned to Centralized costs by the CDP system will be within the Vice President - Information Systems hierarchy (i.e. no chargeback to departmental user RCs is performed.

NOTE: Expenses for centralized budget support and training will be included in the costs assigned to the VP - IS hierarchy by the CDP system.

- b) Non-centralized information management expenses - These expenses are directly assignable to SPFCs, regulatory jurisdictions, and project or billing authorizations.

Non-centralized costs will remain under the RC code of the organization incurring (service provider) the expense.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Information Management Expense (Cont'd)

ACCOUNT: 6724

BUDGET ACCOUNTABILITY: Expenses referred to as centralized information management expenses will be budgeted and tracked on an originating basis using FSUB 20F1 and the appropriate ETGs for the incurred expense. IS will budget the credits to FSUB 20F1 using ETG D53 and the IS VP level RC for the centralized expense that is processed through the CDP system. Finally, IS will budget the distributed centralized expense using FSUB 20F0, ETG D56 and the IS VP level RC. There will be no departmental chargeback for distributed centralized expenses.

NOTE: IS must be sure to include the costs for centralized budget support and training in the credits they budget to FSUB 20F1 as well as the debits budgeted to FSUB 20F0.

Expenses referred to as non-centralized will be budgeted by the organization incurring them.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Items Charged to Corporate RC

ACCOUNT: Various

DESCRIPTION: Various costs are charged to the Corporate RC because of their general character and/or difficulty in assigning specific departmental responsibility. The following list specifies these types of expenses; however, it may not be all inclusive. See the individual section for details on each subject.

<u>ITEM</u>	<u>ACCOUNT</u>	<u>SECTION TITLE</u>	<u>CORPORATE RC CHARGED</u>
1. Billing to Affiliates	Various	Authority Based Billing System Aircraft Expense System EPLC/CLC New Material Provisioning Training	OXX00000
2. AT&T Unbillable Messages	6728.9	Other General and Admini- strative Services - Other	OXX00000
3. Benefits	Various	Benefits	OXB00000
4. Capitalized Lease Credit	Various	Capitalized Lease Credit	OXX00000
5. Compensated Absence Amortization	Various	Compensated Absence Amortization	OXX00000
6. IntraCompany Investment Compensation (ICIC)	6728.7	Other General and Admini- strative Services - IntraCompany Investment Compensation	OXX00000

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Items Charged to Corporate RC

ACCOUNT: Various

DESCRIPTION: (Cont'd)

<u>ITEM</u>	<u>ACCOUNT</u>	<u>SECTION TITLE</u>	<u>CORPORATE RC CHARGED</u>
7. Corporate Insurance	6728.3	Other General and Administrative Services - Corporate Insurance	OXX00000
8. Depreciation	Various	Depreciation	OXD00000
9. Equal Access Amortization	6728.8	Other General and Administrative - Equal Access Amortization	OXX00000
10. Interarea Billing - Loadings	Various	To Be Issued	OXX00000
11. Modified Access Based Compensation - Florida	6540	Modified Access Based Compensation - Florida	OXX00000
12. Motor Vehicle Credits	6112	Motor Vehicle	OXX00000
13. Payroll Taxes	Various	Payroll Taxes	EXP00000
14. Provisioning Clearances	6512	Provisioning	OXX00000
15. Research/Engineering Amortization - LA	6727	Research/Engineering Amortization - LA	OXX00000
16. Special Purpose Vehicle Credits	6114	Special Purpose Vehicle	OXX00000

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Items Charged to Corporate RC

ACCOUNT: Various

DESCRIPTION: (Cont'd)

<u>ITEM</u>	<u>ACCOUNT</u>	<u>SECTION TITLE</u>	<u>CORPORATE RC CHARGED</u>
17. Taxes Other Than Income Gross Receipts	7240.2000	Taxes Other Than Income - Gross Receipts	OXT00000
18. Taxes Other Than Income Property/Other	7240.1000	Taxes Other Than Income - Property/ Other	OXT00000

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Land and Building Expense

ACCOUNT: 6121

DESCRIPTION: This account includes expenses associated with land and buildings (excluding amortization of leasehold improvements). This account will include janitorial service, cleaning supplies, water, sewage, fuel, guard service and electrical power. Also included are expenses of operating offices and buildings, whether owned or rented. Building space also includes unattended buildings.

ACCOUNTING OVERVIEW: These costs will be identified via Special Purpose Function Codes (SPFC) and/or Field Reporting Codes (FRCs). Part 32 does not allow clearance from Account 6121.

BUDGET ACCOUNTABILITY: Account 6121 will be budgeted by the PPSM organization with no RC chargeback. The security organization will budget and track land and building security services (Function Summary Group 09A04).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Modified Access Based Compensation -
Florida

ACCOUNT: 6540

DESCRIPTION: This expense includes compensation to independent companies for terminating intralata toll messages and originating 800 service.

At this time, this expense applies only to Florida.

BUDGET ACCOUNTABILITY: The Bell Industry Relations staff has the primary responsibility to budget this expense. The forecast amount is forwarded to the Corporate Budget staff for inclusion and charged to the Corporate RC (0XX00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Motor Vehicle Expense

ACCOUNT: 6112

DESCRIPTION: This account includes the costs of maintaining and repairing motor vehicles and associated equipment classified to Account 2112, Motor Vehicles.

ACCOUNTING OVERVIEW: Account 6112 costs incurred in support of construction or other plant specific operations work must be transferred to those accounts. These transfers will be based on a rate per hour applied to the work reported hours of these forces.

Amounts will also be identified for interarea billing when appropriate.

Costs associated with the short term rental of motor vehicles from outside vendors, other than company fleet supplements, will be charged to the functional account of the user of the vehicle.

BUDGET ACCOUNTABILITY: Motor vehicle expense will be budgeted by the organization initially incurring the expenses associated with the operation of motor vehicles (PPSM -Fleet Management).

For motor vehicles used for plant functions, two budget entries are required. The plant forces who use vehicles will budget the debit to the final Plant Specific Operations Expense Account or construction account to be charged as a result of the transfer from Account 6112. The credit to Account 6112 should be budgeted to the Corporate RC (OXX00000).

Expenses not related to plant operations will remain in Account 6112 charged to Fleet Management's RC in PPSM without further clearances.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: New Material

ACCOUNT: Various

DESCRIPTION: This discussion addresses material which is classified to final account. This material comes from central stock, field stock, non-stock and new material from BellSouth Services. All types of material are included such as used outside plant, central office, public and other miscellaneous tele-communications equipment, office supplies, etc.

ACCOUNTING OVERVIEW: Central stock and field stock material are held in the Materials and Supplies accounts (1220) until reported used. At that time, the material is classified to final account based on the reported information. This procedure will continue in 1992.

In 1991, new material which is owned by BellSouth Services (BSS) is sold to the BOCs as requested. The expenses associated with handling the materials, including warehousing, transportation, labor, etc. are collected in BSSI cost pools which are not directly billed to the BOCs. Rather, the price the BOCs pay for materials includes a mark-up designed to recover these handling expenses. Costs of material handling are imbedded in the material price to the user and are either capital or expense, depending on the Pattern Account/ Material Usage (PA/MU) data for the material.

Since BSS will no longer exist in 1992, its material will be owned by BST, so no "sale" occurs. Since the material handling (provisioning) expenses should follow the material as to capital/expense, they are charged to the Provisioning account (Account 6512) which ultimately clears to construction or plant specific operations expense

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: New Material

ACCOUNT: Various

ACCOUNTING OVERVIEW: (Cont'd)

accounts. For additional information on provisioning expense, see the Provisioning section. The "Material" costs should decrease as the material handling mark-up is removed; provisioning expense will increase by some amount to reflect the added material handling costs.

BUDGET ACCOUNTABILITY: The departments using the material will budget for it and must consider the accounting changes noted above.

Any billing credits as a result of affiliate usage of material should be budgeted to the Corporate RC (0XX00000).

See Provisioning Expense section for Account 6512 budget accountability.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Office Equipment Expense - Office Support

ACCOUNT: 6123.1000

DESCRIPTION: This account includes costs incurred in connection with the office support equipment classifiable to Account 2123.1000. Included are costs such as rental, repair, rearrangements, changes, etc. Also included are items of office equipment of minor cost (\$500 or less) or with a service life of less than one year.

ACCOUNTING OVERVIEW: The costs described above are charged to Account 6123.1 when incurred. There are no additional accounting requirements.

BUDGET ACCOUNTABILITY: Standard reproduction and graphics equipment expenses will be budgeted by the PPSM - Client Services organization. No RC chargeback to user departments will be done. Other office support equipment expenses, as well as engineering copiers cost, will be budgeted by the user organization.

Lease and maintenance expenses for North Florida reproduction equipment used by multi-departments (located outside North Florida area headquarters) is currently cross-charged by PPSM-Client Services to the dominant user department, and actuals are in the trends of these departments. PPSM plans to budget these expenses for 92-94 and discontinue cross-charging.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Office Equipment Expense - Company Communications

ACCOUNT: 6123.2000

DESCRIPTION: This account includes costs incurred in connection with Company communications voice equipment classifiable to Account 2123.2000.

The cost of individual items of stand-alone station apparatus generally costing \$500 or less is included in Subsidiary Record Category (SRC) 6123.2. The cost of inside wiring and labor charges is also included in this subaccount.

Also included are items of office equipment of minor costs (\$500 or less) or with a service life of less than one year.

NOTE A: All installation costs associated with official company intrasystems will be charged to the appropriate SRC of subaccount 2123.2.

NOTE B: Costs associated with the planning of company communications equipment will be classified to Account 6728, Other General and Administrative Services.

ACCOUNTING OVERVIEW: These costs described above are charged to Account 6123.2 when incurred. There are no additional accounting requirements.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Office Equipment Expense - Company
Communications
(Cont'd)

ACCOUNT: 6123.2000

BUDGET ACCOUNTABILITY: Since Network is the custodian of this equipment, they will be accountable for these costs and will budget for them.

Rentals are currently the responsibility of Corporate Communications; however, responsibility for this expenditure will be moved to Network to make responsibility for pager costs consistent.

All bills for pager rental for BSS employees who now work for BST should be forwarded to the Corporate Communications Consolidated Payment Group (CCCPG) for payment. These costs will be charged to Network.

In cases where airtime is included on these bills, see section on Official Communications - Airtime budget accountability details.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Official Communications - Airtime

ACCOUNT: Various

DESCRIPTION: Official communications airtime refers to airtime for official business associated with cellular telephones and pagers for company owned or leased equipment as well as employee owned or leased cellular telephones.

ACCOUNTING OVERVIEW: N/A

BUDGET ACCOUNTABILITY: Airtime bills associated with cellular telephones and pagers leased or purchased through Corporate Communications will continue to be paid by the Corporate Communications Centralized Payment Group (CCCPG); however, costs will be charged to the users' RCs and functional expense accounts via the voucher process. Official communications airtime associated with personally owned or leased cellular telephones will continue to be vouchered by the user to their functional expense account.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other Cost Based Billing

ACCOUNT: Various

DESCRIPTION: This includes billing for custom work, government work, extraordinary situations requiring billing such as a hurricane, etc.

ACCOUNTING OVERVIEW: Costs are reported under authority numbers and are subsequently loaded with appropriate overheads (CDM overhead, etc.). Bills are rendered based on either estimated or actual cost. Upon billing, the originally charged accounts are credited subject to a hierarchy as specified in BellSouth Accounts and SRCs.

BUDGET ACCOUNTABILITY: Credits for billing for direct charges will be budgeted to the appropriate expense accounts by the departments performing the work.

NOTE: Refer to Authority Based Billing System section.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense

ACCOUNT: 6728

DESCRIPTION: This account will include costs incurred in performing general administrative activities not provided for in other accounts. This account includes the cost of providing general reference libraries, food services (e.g., cafeterias, lunch rooms and vending facilities), archives, general security investigation services, operating official private branch exchanges in the conduct of the business, and telecommunications and mail services. Also included are payments in settlement of accident and damage claims, insurance premiums for protection against losses and damages, direct benefit payments to or on behalf of retired and separated employees, accident and sickness disability payments, death payments, and other miscellaneous costs of a corporate nature. This account excludes the cost of office services, which are to be included in the account appropriate for the activities supported.

See following sections for:

- Benefit Expenses (excluding 8701)	6728.1
- Accidents and Damages (including Damaged Plant)	6728.2
- Corporate Insurance	6728.3
- General Security	6728.4
- Administrative Services	6728.5
Telecommunications - Official Communications	
- IntraCompany Investment Compensation	6728.7
- Equal Access Amortization	6728.8
- Other General and Administration	6728.9

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense

ACCOUNT: 6728.1
Benefits (Retirees and Other)
(Excluding 8701)

DESCRIPTION: This account includes benefit costs for retirees (medical, dental, group life) and sickness, accident, and disability costs.

ACCOUNTING OVERVIEW: These expenses are charged directly to the Corporate RC (0XB00000).

BUDGET ACCOUNTABILITY: BellSouth Corporate Human Resources is responsible for budgeting this account for the entire BST organization.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense

ACCOUNT: 6728.2

Accidents and Damages - Including
Damaged Plant

DESCRIPTION: This account includes expenses not provided for elsewhere, on account of personal injury or personal property damage in connection with the Company's telecommunications operations.

ACCOUNTING OVERVIEW: The bulk of these expenses is charged to the legal department. However, there are minor amounts that are charged to departmental RC's (primarily Network). This distinction is based on whether the legal department is involved in the settlement process.

(This is not to be confused with other major contingent liability issues, which are generally provided by BellSouth Corporation. Such expense would be charged to Account 7370 using a Legal Department RC.)

BUDGET ACCOUNTABILITY: Relative to accidents and damages, each department (including Legal) should budget for those items for which they have historically been charged. (The contingent liability would be provided as a BellSouth Corporation assumption to the Legal Department for inclusion in its budget.)

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense

ACCOUNT: 6728.3

Corporate Insurance

DESCRIPTION: Insurance coverage includes liability (general, director/officer), blanket crime, property/boiler/machinery, and outside plant transmission/distribution.

NOTE: Cost of passenger liability and property insurance associated with aircraft should be charged to Account 6113, Aircraft Expense.

ACCOUNTING OVERVIEW: Total premium amounts for the annual (or multi year) period are typically charged to a pre-paid asset account. Corporate Matters amortizes these prepayments to expense on a monthly basis.

BUDGET ACCOUNTABILITY: BellSouth Corporation Risk Management group is responsible for arranging for these insurance policies. Risk Management is responsible for providing information on future premium renewals to Comptrollers Corporate Matters group. Using this information, Corporate Matters derives the annual budget, for input to the Corporate RC (OXX00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense

ACCOUNT: 6728.4

General Security

DESCRIPTION: This account includes the costs of coordinating all Company efforts in the protection of Company personnel, revenue, service, property and other assets from assault, theft, fraud, malicious damage, or other criminal or quasi-criminal acts. Also included are the costs of coordinating all Company efforts to prevent the occurrence of such losses.

ACCOUNTING OVERVIEW: The expenses described above are charged to this account. There are no other accounting requirements.

BUDGET ACCOUNTABILITY: Security will budget and control these expenses.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense

ACCOUNT: 6728.5

Administrative Services
Telecommunications - Official
Communications

ACCOUNT DESCRIPTION:

This account includes costs associated with administrative and support activities performed for the corporation in general on a centralized basis. These consist of maintaining general reference libraries, reprographics, word processing, records systems, conference (at company buildings except EPLC/CLC), travel, food services, environmental management and centralized data input operations. Also included are the costs for such mail and distribution services as primary mail handling, distribution preparation, secondary mail, motorized mail, messenger service and freight movement.

This account includes costs associated with the scheduling and support of the Corporate Aircraft service as well as the BellSouth Travel Services Group expense. It also includes the design and planning for company communications and advanced office systems equipment and telecommunications services such as WATS and off-network toll charges.

ACCOUNTING OVERVIEW:

ADMINISTRATIVE SERVICES

Costs charged to Job Function Codes (JFC) 16XX will be found primarily in Account 6728.5, Other General and Administrative. There are two exceptions to this rule: Aircraft Operations, JFC 1606 (General) and JFC 1607 (Specific) which translate to Account 6113. The second exception is Motor Vehicle Operations, JFC 1605, which translates to Account 6112.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense
(Cont'd)

ACCOUNT: 6728.5

Administrative Services
Telecommunications - Official
Communications

ACCOUNTING OVERVIEW: (Cont'd)

TELECOMMUNICATIONS EXPENSE - OFFICIAL
COMMUNICATIONS

Telecommunications expense will be classified to Account 6728.5, Other General and Administrative Services - Centralized Services. No distribution to other functional expense accounts is permitted.

BUDGET ACCOUNTABILITY: ADMINISTRATIVE SERVICES

These expenses will be budgeted by the organization providing the centralized service. RC chargeback to users benefiting from the services will not be done except for food services and courier services.

Food services such as for service anniversaries, retirements, meetings refreshments, etc. at company facilities except at EPLC/CLC (see section titled "EPLC/CLC") will continue to be charged to the user's functional expense account as it is today. Therefore departments must budget their own expense.

Courier, overnight delivery services and postage in excess of \$1000 associated with large bulk "one-time" mailings are completely controlled by the user and charged to the user's functional expense account. Departments must budget their own expenses.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense
(Cont'd)

ACCOUNT: 6728.5

Administrative Services
Telecommunications - Official
Communications

BUDGET ACCOUNTABILITY: (Cont'd)

NOTE: It could be that individual departments are providing administrative services for themselves. These departments must budget their own incurred expenses.

TELECOMMUNICATIONS EXPENSE - OFFICIAL COMMUNICATIONS

1. The Corporate Communications organization will be accountable for the design and planning for company communications and advanced office systems equipment.
2. Offnet tolls, WATS - The Corporate Communications organization will be accountable for these expenses. Shared telecommunications will be the responsibility of the Corporate Communications organization, e.g., common communications that can not be identified to a specific user.
3. Private Lines - Since the majority of private lines are shared services, the Corporate Communications organization will be accountable for these expenses.
4. Miscellaneous official communications includes E911 charges by governmental agencies on official lines and Exchange Telephone Services for official services provided to the BOCs by outside local telephone companies. These costs will be the responsibility of the Corporate Communications organization.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense
(Cont'd)

ACCOUNT: 6728.5

Administrative Services
Telecommunications - Official
Communications

BUDGET ACCOUNTABILITY: TELECOMMUNICATIONS EXPENSE - OFFICIAL
COMMUNICATIONS (Cont'd)

5. There will be some continuing official services expenses from the BSS environment such as E911, offnet tolls, etc. for employees who were paid by BSS. For the interim, Corporate Communications (IS) will budget centrally for these expenses in the July View until proper accountability can be resolved and communication to all involved departments.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense

ACCOUNT: 6728.7

IntraCompany Investment Compensation

DESCRIPTION: The IntraCompany Investment Compensation is provided for use where investment, located in one state, is utilized by or benefits another state within the same operating company over an extended period of time. Such investment remains journalized on the owning state's books and is not transferred in whole or in part to the non-owning state utilizing the investment. The owning state recovers all investment related costs, including a return on investment, by carrying charge rates being determined for each type of investment involved and through application of these rates to the non-owning state's portion of the investment.

ACCOUNTING OVERVIEW: Account 6728.7000 is used to record ICIC settlement amounts. In the non-owning state, compensation paid to the owning state appears as a current period expense and is reflected in Account 6728.7100. In the owning state, compensation received from other states appears as a credit to expense in Account 6728.7200.

At the Company level, the balance in Account 6728.7000 should be zero at the end of each month. If not, it is the responsibility of the Corporate Office to investigate and make corrections on a timely basis.

The Cost Separations System (CSS) allocates the contents of Account 6728.7000 to regulated and non-regulated activities based on the general allocator. This process prevents cross subsidization between the unregulated activities and the regulated operation.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General And Administrative Expense
(Cont'd)

ACCOUNT: 6728.7

IntraCompany Investment Compensation

BUDGET ACCOUNTABILITY: These expenses will be budgeted by the Comptrollers State Cost Offices in conjunction with their State Budget Staff. Comptrollers will budget ICIC expenses using the Corporate Responsibility Code (OXX00000).

Headquarters ICIC Administration will provide trend data to the Comptrollers State Cost Offices for their use in developing a budget forecast.

ICIC Administration will collect the state data and consolidate the charge/incurred expenses. After consolidation, ICIC Administration will forward the data to the state cost office for concurrence. ICIC Administration will provide the total state incurred and charged projected forecast to the Corporate Budget organization.

NOTE: Net Billing will be the basis for budgets.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General and Administration Expense

ACCOUNT: 6728.8

Equal Access Amortization

DESCRIPTION: This expense includes amounts representing the amortization of deferred equal access costs associated with the initial conversion of offices to equal access.

ACCOUNTING OVERVIEW: Each month all actual Equal Access (EA) expenses reported the preceding month, excluding EA depreciation expense, are credited to the account in which the expense was originally charged (EA charges are no longer being accepted, only amortization is being done), and deferred to Account 1439.8100, Deferred Charges - Unamortized Equal Access Costs. Also, each month an amortization entry is made to credit 1439.8200, Other Deferred Charges - Amortization of Equal Access Costs, and debit 6728.8000. At the end of the eight-year period the expenses will have been completely amortized and the net balance in Account 1439.8000 will be zero.

BUDGET ACCOUNTABILITY: This expense is budgeted by the Corporate Budget staff to the Corporate RC (OXX00000) based on data calculated by Comptrollers - Regulatory Accounting.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General and Administrative Expense

ACCOUNT: 6728.9

Other

DESCRIPTION: This account includes all operating expenses not chargeable elsewhere, such as:

- (1) Any definitely known amounts of losses of revenue collections due to fire or theft (a) at customers' coin box stations, (b) at public or semipublic telephone stations, (c) in the possession of collectors enroute to collection offices, (d) on hand at collection offices, and (e) between collection offices and banks.
- (2) Reasonable costs borne by the Company with respect to activities conducted by the Telephone Pioneers.
- (3) Payments made to independent companies (including other Bell operating companies) under extended area service (EAS) agreements.
- (4) Amortization of pre-1988 compensated absences liability (see section on Compensated Absences).

ACCOUNTING OVERVIEW: The types of expenses described above are charged to this account. There are no other accounting requirements.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other General and Administrative Expense

ACCOUNT: 6728.9 (Cont'd)

Other

BUDGET ACCOUNTABILITY: Telephone Pioneer Expense -

Public Relations/Affairs will budget and control these expenses.

Compensated Absences Amortization -

The embedded compensated absence amortization will be forecast solely by the Corporate Budget Administration - BST Staff using a Corporate/ Administrative RC. See section titled "Compensated Absences".

AT&T Unbillable Messages -

This area covers the expenses associated with the liability assumed by the Company for prebilling unbillable messages due to failures in the billing and collection process as covered in the contract with AT&T.

Billing Management staff has the responsibility of calculating this expense item and furnishing it to the Corporate Budget staff. This expense is charged to the Corporate RC (0XX00000).

NOTE: Since functional responsibility for this expense is not assigned, Account 6728.9 is charged. If functional responsibility is determined, other accounts will be utilized.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other Work Equipment Expense

ACCOUNT: 6116

DESCRIPTION: This account will be charged with the cost of maintaining and repairing investment classified to Account 2116. This includes special tools and work equipment and other tools and work equipment. Tools costing less than \$500 will also be charged to 6116.

ACCOUNTING OVERVIEW: Expenses associated with Other Work Equipment will be charged to FRCs 540M or 940M.

- a) Plant related expenses (FRC 540M) will be cleared via the Cost Distribution Module (CDM) System to the appropriate construction and plant specific operations expense accounts based on work reported hours of the forces that use this equipment.
- b) Expenses not related to plant operations will be charged to FRC 940M and remain there.

BUDGET ACCOUNTABILITY: Other Work Equipment expense will be budgeted by the organization initially incurring the expenses associated with maintaining and repairing Other Work Equipment.

Additionally, two types of budget entries are required for Other Work Equipment used for plant operations (FRC 540M). The plant forces who use the Other Work Equipment will budget the debits to the final Plant Specific Operations Expense Account or construction accounts to be charged as a result of the transfer from Account 6116. The credit to Account 6116 should be budgeted to the Corporate RC.

Expenses not related to plant operations (FRC 940M) will remain in Account 6116 charged to the organization that incurred the expense.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Other Work Equipment Expense
ACCOUNT: 6116 (Cont'd)

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Payroll Taxes

ACCOUNT: 8701.8000 - 8701.9000

DESCRIPTION: This account includes company matching portions for payroll related taxes and federal/state unemployment taxes.

ACCOUNTING OVERVIEW: Expenses which are initially booked to Account 8701 will be cleared to expense or construction accounts based on salaries and wages.

BUDGET ACCOUNTABILITY: BellSouth Corporate Tax Department is responsible for budgeting payroll taxes for the entire BST organization.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Plant Clearance

ACCOUNT: 8710

DESCRIPTION: This account is initially charged with costs of plant operations. Included in this account are the pay and expenses, including pay associated with paid absence time, of plant work reporting employees and their direct supervision. Also included are the pay and expenses of the indirect supervision and staff support; and costs of unclassified time. All charges will be cleared from this account based on the reported labor hours to either the reported final account or to Account 6534.

ACCOUNTING OVERVIEW: The costs associated with plant operations will be initially charged to Account 8710 with separate SRCs identifying the types of costs. All charges to Account 8710 will be cleared to either the reported account or to Account 6534. Based on reported labor hours, hourly rates will be computed and applied to the labor hours to achieve clearance. The final account charged in the clearance process is dependent upon the accounts reported by the plant work reporting employees. Certain types of Account 8710 costs will be charged to the reported account. Refer to Account 6534 for detailed descriptions of these types of costs.

BUDGET ACCOUNTABILITY: All charges to Account 8710 will be cleared to the reported accounts or to Account 6534 so that the net effect on the account is zero. However, all segments that expect to incur costs in this account should provide the expense dollars in their budgets.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Plant Operations Administration Expense

ACCOUNT: 6534

DESCRIPTION: This account includes costs incurred in the general administration of plant operations. This includes planning, coordinating and monitoring plant operations; performing staff work such as developing methods and procedures, preparing and conducting training (except on-the-job training) and coordinating safety programs; and unclassified time of plant craft employees.

ACCOUNTING OVERVIEW: INDIRECT SUPERVISION

These costs will be charged initially to Account 8710 Indirect Administration and cleared to either the reported account or to Account 6534. An average hourly rate for these costs will be calculated using the reported labor hours. The hourly rate will be applied to the labor hours and charged to the associated final account except for labor hours reported to plant specific operation expense accounts. Account 6534 will be charged with the indirect supervision costs for the plant specific operations expense accounts using the Responsibility Code of the associated reported labor hour. Plant specific operations expense accounts are the central office equipment, terminal equipment, and cable and wire expense accounts.

UNCLASSIFIED COSTS

Hours will be work reported to unclassified productive codes. Average hourly rates will be computed using the total reported labor hours. The hourly rates applied to the unclassified productive hours will be charged to Account 8710 Unclassified Costs. An average hourly rate for Account 8710 Unclassified Costs will be computed and applied to all reported classified

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Plant Operations Administration Expense
(Cont'd)

ACCOUNT: 6534

ACCOUNTING OVERVIEW: UNCLASSIFIED COSTS (Cont'd)

labor hours. Account 6534 will be charged with the unclassified costs associated with hours reported to either plant specific operations accounts (both construction and expense) or to general support asset construction accounts. Plant specific operations construction accounts are the central office, information origination/termination, and cable and wire facilities construction accounts. Plant specific support construction accounts are the general support construction accounts. For all other accounts, unclassified costs will be reflected in the account of the reported classified productive hour. Charges to Account 6534 for unclassified costs will use the Responsibility Code of the associated reported classified labor hours.

STAFF SUPPORT

These costs will be initially charged to Account 8710 Staff Support. An average hourly rate will be calculated using the reported labor hours. The hourly rate will be applied to the labor hours. Account 6534 will be charged with the staff support costs for plant specific operations accounts (construction and expense) and for general support asset construction accounts. For all other accounts, the reported account will be charged with these costs. The charges to Account 6534 will be at the Responsibility Code level of the reported labor hour.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Plant Operations Administration Expense
(Cont'd)

ACCOUNT: 6534

BUDGET ACCOUNTABILITY: INDIRECT SUPERVISION

The costs for indirect supervision should be budgeted by the organization reporting labor hours. Indirect supervision costs should be budgeted within the plant specific and plant non-specific accounts, excluding the plant specific operations expense accounts. The budget for Account 6534 should include the costs of indirect supervision for the plant specific operations expense accounts.

UNCLASSIFIED COSTS

These costs will be budgeted by the organization from which classified hours are reported. Unclassified costs should be budgeted within Account 6534 for the plant specific operations accounts, as well as for the plant specific support expense accounts. Plant specific expense accounts are the general support property expense accounts. For all other accounts, any unclassified costs should be budgeted within the final account.

STAFF SUPPORT

These costs will be budgeted by the organization reporting labor hours. Amounts billed by BellCore will be budgeted by the BST officer held accountable for controlling the costs. The RC assigned to the costs (used in initial classification of the bill) should be that of the budgeting entity. Staff costs should be budgeted within the plant specific support expense accounts, as well as the plant non-specific accounts. Included in the Account 6534 budget should be the staff support costs associated with the plant specific operations accounts and the general support assets construction accounts.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Plant Operations Administration Expense
(Cont'd)

ACCOUNT: 6534

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Power Expense

ACCOUNT: 6531

DESCRIPTION: This account includes expenses associated with network power and includes the cost of electrical power used to operate the telecommunications network.

NOTE: See Centralized Data Processing - Account 6124 for discussion on separately metered power for data centers.

This account includes the cost of power for telephone plant operations. It includes the cost of electricity purchased and fuel used in the generation conversion, storage of current for operating dial systems, repeater and carrier equipment, ringing machines, ticket-distribution systems, battery-charging machines, coin collection equipment, and for other transmission power requirements of central office equipment and other station equipment, as well as associated equipment classified to Account 2112, Motor Vehicles.

ACCOUNTING OVERVIEW: Expenses are classified to this account and remain there.

BUDGET ACCOUNTABILITY: The expenses in Account 6531 will be budgeted by the PPSM Budget organization with no RC chargeback.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Procurement

ACCOUNT: 6726

DESCRIPTION: This account will include costs incurred in procuring material and supplies, including office supplies. This includes analyzing and evaluating suppliers' products, selecting appropriate suppliers, negotiating supply contracts, placing purchase orders, expediting and controlling orders placed for material, developing standards for material purchased and administering vendor or user claims.

ACCOUNTING OVERVIEW: The costs described above will be charged to Account 6726 and remain there.

BUDGET ACCOUNTABILITY: PPSM will budget procurement expenses on an RCO basis and retain responsibility for these expenditures without any RC chargeback.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Provisioning Expense

ACCOUNT: 6512

DESCRIPTION: This account includes costs incurred in provisioning new, used and non-stock material and supplies not including office supplies. This includes receiving, stocking and storing materials; filling requisitions from stock; monitoring and replenishing stock levels; delivering material; loading and/or unloading material; and administering the reuse or refurbishment of material. Also included are adjustments resulting from the annual or more frequent inventory of material and supplies.

ACCOUNTING OVERVIEW: Prior to BST, amounts charged to Account 6512 for costs incurred in support of new and used material charged to construction and/or Plant Specific Operations expense accounts are transferred to construction or Plant Specific Operations expense accounts as appropriate.

BSS owns new material and supplies which are sold to the BOCs. The BSS cost for material handling is embedded in the material price charged to the BOCs.

Used material and supplies are owned by the BOCs and are classified to Account 1220.1800, Stock Held for Reuse. The cost of handling reused material is charged to Account 6512.2100.

Although separate procedures are required for new and used material handling costs charged to Account 6512, both types of these expenses are cleared to final accounts.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Provisioning Expense (Cont'd)

ACCOUNT: 6512

ACCOUNTING OVERVIEW: (Cont'd)

In the BST environment, Provisioning expense is associated with three types of materials/supplies as follows:

Material/Supply Type	Provisioning Expense Accounts		
	(General)	(Charges)	(Clearance)
Field Stock-Other	6512.1000	6512.1100	6512.1700
Field Stock - Corp. Comm.	6512.1000	6512.1200	6512.1700
Non-Stock	6512.3000	6512.3100	6512.3700
Central Stock	6512.4000	6512.4100	6512.4700

Rates will be developed to clear provisioning expense associated with material and supplies identified as new central stock, used central stock, non-stock, field stock - other. The rates will be applied to the dollars of the appropriate class of material/supplies based on Expenditure Type Code (EXTC).

Central stock provisioning expense will be incurred in regional warehouse operations which are also known as Tier I and II warehouses. Due to their regional support, these central stock provisioning costs will be prorated to all nine states by the Financial Processor (FP) based on each state's portion of material shipments and returns from the previous month. The prorated expenses will be used to develop the provisioning rate to distribute the Account 6512.4000 expense based on central stock material/supplies.

The provisioning operations for field stock and non-stock are not considered regional. Therefore these expenses will not be prorated in FP.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Provisioning Expense (Cont'd)
ACCOUNT: 6512
ACCOUNTING OVERVIEW: (Cont'd)

CORPORATE COMMUNICATIONS

Prior to BST, Material Services performed work for the Corporate Communications organization such as pack and hold for both new and reused material. These costs are identified to a unique authority code in the BOC accounting process. They are manually excluded from other provisioning expense. The expenses for Corporate Communications provisioning are manually distributed to the departments using the Corporate Communications material/supplies.

When BSS was combined into BST, a new Account 6512.1200 was established to uniquely identify Corporate Communications provisioning expense as part of field stock provisioning expense. This provisioning expense will be cleared through Account 6512.1700 along with field stock - other expense (Account 6512.1100).

INVENTORY ADJUSTMENTS:

Expenses related to inventory adjustments will still be charged to Account 6512.6000 and will not be cleared.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Provisioning Expense (Cont'd)
ACCOUNT: 6512
BUDGET ACCOUNTABILITY: DEPARTMENTS WITH EMPLOYEES PERFORMING PROVISIONING WORK:

Departments responsible for performing the provisioning functions, such as PPSM or Network, will budget the debits to and clearances from Account 8710, Plant Expense Clearance for the provisioning work performed by their plant employees. Based on the function performed, these same departments must budget the debits to provisioning expense Accounts for field stock - other (6512.1100), field stock - Corporate Communications (6512.1200), non-stock (6512.3100), and central stock (6512.4100).

PROVISIONING CLEARANCES:

Clearances to Provisioning Accounts (6512.1700, 6512.3700 and 6512.4700) will be budgeted to the Corporate RC (0XX00000). The clearance forecast will be coordinated by the Corporate Budget Staff.

DEPARTMENTS USING MATERIAL/SUPPLIES (OTHER THAN CORPORATE COMMUNICATIONS):

Departments budgeting for material/supplies charged to final accounts must also budget the associated provisioning expense to the final accounts.

NOTE: In those instances where the material/supplies used are charged to a supplies account, the department must still budget both the material/supplies used and the associated provisioning expense.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Provisioning Expense (Cont'd)

ACCOUNT: 6512

BUDGET ACCOUNTABILITY: (Cont'd)

Expenditure type group (ETG) D41 is used for budgeting provisioning expense associated with all field stock, non-stock and new central stock. Provisioning expense associated with used central stock is budgeted using ETG D42.

CORPORATE COMMUNICATIONS:

PPSM will have the budget responsibility for Corporate Communications provisioning expense using ETG D41.

INVENTORY ADJUSTMENTS:

We do not budget inventory adjustments.

AFFILIATE BILLING CREDITS:

Any billing credits resulting from affiliate transactions are charged to the Corporate RC (OXX00000). See the Authority Based Billing System section.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Research/Engineering Amortization - Louisiana

ACCOUNT: 6727

DESCRIPTION: This expense includes the amortization portion of research and systems engineering costs previously capitalized by the Louisiana PSC on FR (Intrastate) Books. (These costs were incurred for research and fundamental development by Bell Laboratories.

ACCOUNTING OVERVIEW: Louisiana is amortizing this amount over the average useful life of Telecommunications Plant in Service, Account 2001. Amortization is estimated to end in 1996.

BUDGET ACCOUNTABILITY: This expense is budgeted by the Corporate Budget Staff to the Corporate RC (OXX00000) based on data calculated by Comptrollers Regulatory Accounting.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Special Material Services

ACCOUNT: Various

ACCOUNTING OVERVIEW: Services provided by PPSM Material Services for a specific client, such as Network, beyond basic material handling will be negotiated with PPSM. Examples of these services include Pre-term/Connex cable operations, PICS warehousing, etc. Employees performing the work will time report to the appropriate field reporting codes. The cost of performing the functions will be distributed from Account 8710 to the field reporting codes by the Cost Distribution Module System based on the work reported hours.

BUDGET ACCOUNTABILITY: The PPSM organization responsible for performing the work will budget the debits and clearance from Account 8710 and the debits to the final account.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Special Purpose Vehicle Expense

ACCOUNT: 6114

DESCRIPTION: This account includes the costs of maintaining and repairing Special Purpose Vehicles classified to Account 2114. Included are such costs as fuel, licenses and inspection fees, washing, repainting and minor accessories. The costs of operators of this equipment and their miscellaneous expenses will be charged to accounts appropriate for the activities performed.

ACCOUNTING OVERVIEW: Part 32 requires that Special Purpose Vehicle expense amounts be transferred to construction, removal, and other Plant Specific Operations Expense accounts. This transfer will be based on reporting by the special purpose vehicle using forces.

BUDGET ACCOUNTABILITY: PPSM will budget the original expenses to this account at the PPSM VP level. The credits resulting from the transfers to construction, removal, and other Plant Specific Operations Expense accounts will be budgeted to the Corporate RC (0XX00000).

The forces who use special purpose vehicles will budget the debit to the final construction or other plant specific operation expense account to be charged as a result of the transfer from Account 6114.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Taxes Other Than Income - Gross Receipts

ACCOUNT: 7240.2000

DESCRIPTION: This expense includes taxes levied upon gross receipts, gross revenues, gross income, etc. Also included are public utility commission assessments based on revenues or receipts; taxes on receipts from telephone service which is billed to and collected from customers; and amounts paid for sales or utility service taxes levied on customers which are impracticable to collect.

ACCOUNTING OVERVIEW: Each month journal entries for Account 7240.2000, Taxes Other Than Income - Gross Receipts, are computed by the BellSouth Corporate Tax Office and sent to the BST Corporate Matters for preparation of the General Purpose Key punch Form (GNPR) and journalization.

BUDGET ACCOUNTABILITY: The budget for this expense is coordinated by the Corporate Budget staff. Corporate Budget forwards revenue data to the Tax Office. The Tax Office uses this information along with tax assumptions to calculate the Gross Receipts tax budget amount. The Tax Office submits this forecast to Corporate Budget for inclusion under the Corporate RC (OXT00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Taxes Other Than Income - Property/Other

ACCOUNT: 7240.1000

DESCRIPTION: This expense includes taxes levied upon the assessed value of property, real, personal and intangible.

ACCOUNTING OVERVIEW: Account 7240.1000 is debited and Account 4080.1000, Other Taxes Accrued, is credited for property taxes related to regulated operations applicable to current periods. BellSouth Tax Department provides the monthly accruals to Corporate Reports for input using a General Purpose Key punch Form (GNPR).

BUDGET ACCOUNTABILITY: The budget for this expense is coordinated by the Corporate Budget staff. Corporate Budget forwards investment data to the Tax Office. The Tax Office uses this information along with tax assumptions to calculate the Property tax budget amount. The Tax Office submits this forecast to Corporate Budget for inclusion under the Corporate RC (OXT00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Telecommunications Equipment - Data

ACCOUNT: FRC 630M, Account 6124

DESCRIPTION: Costs incurred in connection with Company communications data equipment classifiable to Account 2124, FC 630C are charged to 630M. Included are costs such as rentals, repair, rearrangement, changes, installation of expensed materials, salvage, credits and expensed items costing less than \$500.

NOTE: Other costs for Account 6124 (FRCs 530M and 930M, FC 150A through 1519 and SPFCs that translate to Account 6124) are described in the General Purpose Computer Expense section of this Guide.

ACCOUNTING OVERVIEW: The types of expenses described above are classified to this account and have no further distribution.

BUDGET ACCOUNTABILITY: Since Network is the custodian of this equipment, they will be accountable for these costs and will budget for them.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Training

ACCOUNT: Various

DESCRIPTION: See Below

ACCOUNTING OVERVIEW: Training offered by BST for courses such as defensive driving, personal computer training, stress management, time management, and the Quality series of training when attended by BST personnel will generate no billing activity. The training department will direct their incurred expenses for course preparation, course materials, and actual presentation of the class to the training RC with a JFC used to direct the expenses to the proper account classification based on the class subject matter.

Training obtained by a department on its own discretion from outsiders must be paid for by the department receiving the training. Training provided by the BellSouth Leadership Institute for paygrade 6 and above is incurred for the most part by BellSouth Corporation and billing to BST is via the corporate services billing and is based upon paygrade 6 and above headcount for applicable BellSouth companies.

Any non-BST personnel who attend BST classes discussed in the first paragraph will be billed the calculated Fully Distributed Costs (FDC) tuition based billing on a monthly basis via ABBS.

BUDGET ACCOUNTABILITY:

1. Training furnished from outside BST, including Lisle and Carnegie Melon should be budgeted by the user departments. Executive Management Business Administration (EMBA) programs will also be paid by the user department. These expenses should be budgeted to various accounts based on the job function code(s) of the student. Sloan and MIT, etc., programs will continue to be paid by BellSouth Corporation.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Training
ACCOUNT: Various
BUDGET ACCOUNTABILITY: (Cont'd)

2. Training which is currently billed on a tuition basis and provided by BST Training Department will no longer be billed to the student. This training includes Red Cross, Defensive Driving and PC Training.

Training will be responsible for the budget and actuals for these courses. They will be budgeted to Account 6723 using FSUB 20E0.

Management reports will be provided via CTRS on attendance.

3. Generic management training such as Excellence Through Teamwork, Stress Management, Time Management, etc. will be budgeted by the BellSouth Leadership Institute in the training organization. There will no longer be any student chargeback for these types of classes.

Training will be responsible for the budget and actuals for these courses. They will be budgeted to Account 6723 using FSUB 20E0.

Management reports will be provided via CTRS on attendance.

4. Training provided by the BellSouth Management Institute for paygrade 6 managers and above will be managed by BellSouth Corporation HRD group, billed to the student and charged to various accounts based on the student's job function code(s). Therefore departments must budget for this expense.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Training

ACCOUNT: Various

BUDGET ACCOUNTABILITY: (Cont'd)

5. All other types of training will be budgeted and tracked by the training organization without responsibility code chargeback. This includes job specific training for plant, engineering and corporate communications forces. The cost of course development and delivery will be charged directly to the appropriate expense account based on the job functions addressed in the course content.

As information, in 1992, these same job specific training costs are initially charged to Accounts 8705 and 8710 as unclassified costs. These costs are subsequently distributed to the appropriate final expense account and responsibility code charged based on work reported hours.

6. Any credits resulting from affiliate billing for training will be charged to the Corporate RC (0XX00000).

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Tuition Aid
ACCOUNT: Various
DESCRIPTION: See Below
ACCOUNTING OVERVIEW: N/A

BUDGET ACCOUNTABILITY: 1. Tuition Aid reimbursements to Management employees or directly to educational institutions on behalf of Management employees which are in accordance with the Tuition Aid Plan (TAP) will no longer be charged back to the departments. Human Resources will be responsible for the budget and actuals for these reimbursements. They will be budgeted to Account 6723 using FSUB 20E0.

As information, in 1992, these expenses were charged to various accounts based on the job function code(s) of the student. All expenses were identified by the use of the unique EXTC 245.

2. Tuition Aid reimbursements to Non-Management employees or directly to educational institutions on behalf of Non-Management employees which are in accordance with the Tuition Aid Plan (TAP) and covered under the Employee Security Partnership (ESP) program will continue to be charged to Human Resources. These expenses will be budgeted to Account 6723 using FSUB 20E0.

3. Tuition not associated with the Tuition Aid Plan such as Professional / Occupational Development Programs, Data processing courses offered by computer hardware or software vendors, etc. should be budgeted to various accounts based on the job function code(s) of the student. Therefore departments must budget for this expense.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Tuition Aid

BUDGET ACCOUNTABILITY: (Cont'd)

4. Tuition billed for courses and seminars provided by BellCore and BellSouth Educational Services should be budgeted to various accounts based on the job function code(s) of the student. Therefore departments must budget for this expense.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Headquarters, Multi-State and State Specific Expenses.

ACCOUNT: Various

DESCRIPTION: All employees must be designated as either Headquarters, Multi-State or State Specific. It is necessary to define these classifications to ensure that all employee related (salary, voucher, etc.), investment related, overhead, and other expenses are properly charged to the state(s) that benefit from the functions performed by each employee.

For the majority of the employees, it is simple to determine the classification. However, the continued restructuring of the Company is resulting in situations that are not as easily defined. This section will describe the general guidelines to be used to determine the appropriate employee designation, to outline how the employee related and other costs will be handled in the billing/cost allocation processes, and to define the budget accountability for these expenses.

ACCOUNTING OVERVIEW:

1. HEADQUARTERS

An employee who performs functions in support of all nine state OR is a member of a "work group" which supports all nine states is generally classified as Headquarters. Headquarters employee expenses and other costs are allocated to one or more of the nine benefitting states through the Headquarters apportionment process. In this process, if the employee supports all nine states and is coded as Headquarters on the Payroll Minifile, the employee's costs will be allocated based on the HQ apportionment factors associated

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Headquarters, Multi-State and State Specific Expenses.

ACCOUNTING OVERVIEW: (Cont'd)

with the account to which the employee's expenses are classified which is based on their job function code assignment(s). If the employee supports less than nine states, the employee's expenses will be directed to the appropriate state(s) based on the Payroll Minifile other company billing indicator factor(s).

Headquarters costs are initially charged to the Headquarters journal. Since Headquarters is not a regulatory jurisdiction or profit/loss center for the Company, all charges to Headquarters are allocated or directed to one or more of the nine states each month.

Overhead factors are not applied to employee salary dollars allocated or directed through the Headquarters apportionment process. Overhead costs incurred in Headquarters are themselves allocated and do not need to be recovered through the application of loadings on the Headquarters salaries and wages.

Expenses incurred at Headquarters, other than employee related expenses, are either applicable to all nine states, one specific state or a combination of states. Costs applicable to all nine states are allocated based on the HQ apportionment factors associated with the account to which the expenses are classified. Expenses applicable to less than nine states are either directed or allocated on a predetermined basis to the appropriate states based upon information available at the time the accounting entry is prepared.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Headquarters, Multi-State and State Specific Expenses.

ACCOUNTING OVERVIEW: (Cont'd)

As a result of the HQ Prorate process, the EXTC on expenses which are allocated to all nine states based on the HQ apportionment factors or allocated to one state on a predetermined basis will be charged to a corresponding HXX EXTC which will translate to the same ETG as the original EXTC on the transaction. If the Responsibility Code Originating (RCO) and Responsibility Code Charged (RCC) on the transaction is below the Operations Manager level, e.g. Paygrade 5, the Responsibility Code (RC) will be changed to the Operations Manager level RC on the transactions that are sent to the states. The EXTC and RCs on expenses directed to the states are not changed as a result of this process.

Assets used in support of Headquarters functions (land, building, furniture, etc.) are journalized on the host state journals. For example, the Southern Bell Center is located in Georgia and is reflected on Georgia's journal. The Headquarters host state is compensated for asset related costs (Return on Investment (ROI), taxes, depreciation, property tax, etc.) by the other benefitting states via the IntraCompany Investment Compensation (ICIC) process.

Individuals performing headquarters functions but located in a state facility may need to be classified as Multi-State to ensure proper compensation to the host state. Situations of this type should be reviewed with Comptrollers.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Headquarters, Multi-State and State Specific Expenses.

ACCOUNTING OVERVIEW: (Cont'd)

2. MULTI-STATE

An employee who performs functions in support of more than one but less than nine states AND is a member of a "work group" that supports more than one but less than nine states is classified as Multi-State.

Multi-State employee expenses are allocated (billed) to the other benefitting state(s) via the InterArea Billing System (IAB). In this case, the employee expenses are initially processed in the state where the employee is located. Direct expenses incurred in the originating state are transferred to the other benefitting state(s) along with appropriate salary and wage based overheads (executive, legal, accounting, etc.) via IAB. This ensures the state incurring the initial charges will be adequately compensated by the other state(s) receiving the benefit. Billing indicators and percent allocation factors must be established in the Payroll Minifile for this process to function properly. For Multi-State expenses that are billed through the IAB system, the EXTC and RCs remain the same as the original transaction.

The cost of assets that support Multi-State employees will be recovered by the "Owning" state via the ICIC process.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Headquarters, Multi-State and State Specific Expenses.

ACCOUNTING OVERVIEW: (Cont'd)

3. STATE SPECIFIC

An employee who performs functions in support of one state AND is a member of a "work group" that supports one state is classified as a State Specific employee. The incurred costs of State Specific employees remain on the state journal originally charged with no EXTC or RC changes.

NOTE: The "work group" scenario is included in the definitions above because a work group sometimes divides work among individuals on a state-by-state basis. For example, a division level work group supporting all nine states and containing three Operations Managers could assign support responsibility for three states to each of the three Operations Managers. In that case, each Operations Manager would be classified as Headquarters even though individually they support fewer than nine states. Typically, each of these three Operations Managers would "state direct" their expenses to each of the three states they support using factors based on the relative amount of time spent supporting each state.

BST BUDGET ACCOUNTABILITY GUIDE

SUBJECT: Headquarters, Multi-State and State Specific Expenses.

BUDGET ACCOUNTABILITY: The budget accountability for the direct expenses, whether they are identified as Headquarters, multi-state, or state specific remains with the organization that incurred the costs. Keep in mind that for headquarters expenses allocated to all 9 states based on the prorate factors or allocated to one state on a predetermined basis, if the RCO/RCC is below the operations manager level RC, it will be changed to reflect the Operations Manager's RC. Also note that the EXTC on these transactions will be changed to the corresponding HQ prorate EXTC which will translate to the same ETG as the EXTC on the original transaction effective January 1992.

The investment related costs which are journalized through the ICIC process will be budgeted to the OXX00000 Corporate RC by Comptrollers.

Overhead expenses which are billed through the IAB system will be budgeted to the OXX00000 Corporate RC by Comptrollers.

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

12. Schedule B-5c-- A copy of the most recent audited financial statements of the applicant and the parent company (i.e., annual report to stockholders) if available. Companies are not required to obtain certified statements to satisfy this requirement if none exists.

FLORIDA PUBLIC SERVICE COMMISSION
Company: Southern Bell Telephone & Telegraph
Docket No. 920260-TL
Test Year: 1993

Schedule B-5c
Page 1 of 1
Witness Responsible WILLIAM B. KECK

REQUEST: A copy of the most recent audited financial statements of the applicant
and the parent company (i.e. , annual report to stockholder) if available.

RESPONSE: See attached for BellSouth Telecommunications Form 10-Q and BellSouth Form 10-Q
for 1st Quarter 1993.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-Q

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 1993

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 1-1049

BellSouth Telecommunications, Inc.

(Exact name of registrant as specified in its charter)

Georgia
(State of
Incorporation)

58-0436120
(I.R.S. Employer
Identification Number)

675 West Peachtree Street, N. E., Atlanta, Georgia 30375
(Address of principal executive offices) (Zip Code)

Registrant's telephone number 404 529-8611

**THE REGISTRANT, A WHOLLY-OWNED SUBSIDIARY OF BELL SOUTH CORPORATION,
MEETS THE CONDITIONS SET FORTH IN GENERAL INSTRUCTION H(1)(a) AND (b) OF FORM
10-Q AND IS THEREFORE FILING THIS FORM WITH REDUCED DISCLOSURE FORMAT
PURSUANT TO GENERAL INSTRUCTION H(2).**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X. No .

PART I — FINANCIAL INFORMATION
BELLSOUTH TELECOMMUNICATIONS, INC.
CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS
(Unaudited)
(In Millions)

	<u>For the Three Months</u> <u>Ended March 31,</u>	
	<u>1993</u>	<u>1992</u>
Operating Revenues:		
Local service	\$1,618.4	\$1,502.8
Interstate access	749.4	732.8
Intrastate access	215.5	227.2
Toll	305.1	336.5
Other	448.6	469.3
Total Operating Revenues	<u>3,337.0</u>	<u>3,268.6</u>
Operating Expenses:		
Cost of services and products	1,339.4	1,207.3
Depreciation	706.1	693.0
Selling, general and administrative	551.0	567.5
Total Operating Expenses	<u>2,596.5</u>	<u>2,467.8</u>
Operating Income	740.5	800.8
Interest Expense	147.5	151.4
Other Income (Expense), net	(2.8)	58.1
Income Before Income Taxes	590.2	707.5
Provision for Income Taxes	202.3	240.0
Net Income	<u>\$ 387.9</u>	<u>\$ 467.5</u>
Retained Earnings:		
At beginning of period	\$3,967.0	\$3,983.5
Add: Net Income	387.9	467.5
Deduct: Dividends declared	384.3	374.4
At end of period	<u>\$3,970.6</u>	<u>\$4,076.6</u>

The accompanying notes are an integral part of these financial statements.

BELLSOUTH TELECOMMUNICATIONS, INC.
CONSOLIDATED BALANCE SHEETS
(In Millions)

	<u>March 31,</u> 1993	<u>December 31,</u> 1992
	(Unaudited)	
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 128.7	\$ 133.0
Accounts receivable, net of allowance for uncollectibles of \$82.3 and \$87.2	1,937.7	1,944.7
Material and supplies	360.8	385.8
Other current assets	93.9	79.6
Total Current Assets	<u>2,521.1</u>	<u>2,543.1</u>
Investments In and Advances to Affiliate	<u>30.3</u>	<u>30.3</u>
Property, Plant and Equipment:		
Telephone plant and other equipment	38,827.2	38,324.3
Less: Accumulated depreciation	<u>15,547.3</u>	<u>15,012.4</u>
	23,279.9	23,311.9
Deferred Charges and Other Assets	<u>603.8</u>	<u>557.0</u>
Total Assets	<u>\$26,435.1</u>	<u>\$26,442.3</u>
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current Liabilities:		
Debt maturing within one year	\$ 1,040.6	\$ 946.9
Accounts payable	846.7	989.5
Other current liabilities	<u>1,746.7</u>	<u>1,780.4</u>
Total Current Liabilities	<u>3,634.0</u>	<u>3,716.8</u>
Long-Term Debt:		
Debentures	6,261.1	6,263.0
Other long-term debt	<u>147.3</u>	<u>73.0</u>
	6,408.4	6,336.0
Deferred Credits and Other Liabilities:		
Accumulated deferred income taxes	3,077.5	3,639.5
Unamortized investment tax credits	585.0	604.3
Other liabilities and deferred credits	<u>1,338.9</u>	<u>763.0</u>
Total Deferred Credits and Other Liabilities	<u>5,001.4</u>	<u>5,006.8</u>
Shareholder's Equity:		
Common stock, one share, no par value	7,420.7	7,415.7
Retained earnings	<u>3,970.6</u>	<u>3,967.0</u>
Total Shareholder's Equity	<u>11,391.3</u>	<u>11,382.7</u>
Total Liabilities and Shareholder's Equity	<u>\$26,435.1</u>	<u>\$26,442.3</u>

The accompanying notes are an integral part of these financial statements.

BELLSOUTH TELECOMMUNICATIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In Millions)

	For the Three Months Ended March 31,	
	1993	1992
Cash Flows from Operating Activities:		
Net income	\$ 387.9	\$ 467.5
Adjustments to net income:		
Depreciation	706.1	693.0
Summary tax assessment settlement	—	90.9
Provision for losses on bad debts	34.8	39.2
Deferred income taxes and unamortized investment tax credits	(50.2)	(46.1)
Allowance for funds used during construction	(5.4)	(3.3)
Net change in accounts receivable	(27.8)	25.7
Net change in material and supplies	(7)	(33.2)
Net change in accounts payable and other current liabilities	(167.2)	(34.2)
Net change in deferred charges and other assets	(53.6)	(37.5)
Net change in other liabilities and deferred credits	28.2	17.0
Other reconciling items, net	11.6	(22.9)
Net cash provided by operating activities	863.7	1,156.1
Cash Flows from Investing Activities:		
Capital expenditures	(659.6)	(534.7)
Proceeds from disposals of property, plant and equipment	12.8	21.0
Other investing activities, net	(5)	—
Net cash used in investing activities	(647.3)	(513.7)
Cash Flows from Financing Activities:		
Proceeds of short-term borrowings	2,380.0	2,901.0
Repayment of short-term borrowings	(2,215.1)	(3,091.6)
Advances from parent and affiliates	117.9	—
Repayment of advances from parent and affiliates	(99.0)	—
Proceeds of long-term debt	425.0	—
Repayment of long-term debt	(439.6)	(1.6)
Payment of call premium	(5.3)	—
Payment of capital lease obligations	(2.9)	(3.5)
Equity investment of parent	5.0	—
Dividends paid to parent	(386.7)	(410.4)
Net cash used in financing activities	(220.7)	(606.1)
Net Increase/(Decrease) in Cash and Cash Equivalents	(4.3)	36.3
Cash and Cash Equivalents at Beginning of Period	133.0	135.4
Cash and Cash Equivalents at End of Period	\$ 128.7	\$ 171.7

The accompanying notes are an integral part of these financial statements.

BELLSOUTH TELECOMMUNICATIONS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In Millions)
(Unaudited)

(a) Preparation of Interim Financial Statements

The consolidated financial statements of BellSouth Telecommunications, Inc. ("BellSouth Telecommunications") have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain amounts have been reclassified from previous presentations. In the opinion of BellSouth Telecommunications, these statements include all adjustments necessary for a fair presentation of the results of all interim periods reported herein. All adjustments are of a normal recurring nature. Certain information and footnote disclosures prepared in accordance with generally accepted accounting principles have been either condensed or omitted pursuant to SEC rules and regulations. However, BellSouth Telecommunications believes that the disclosures made are adequate for a fair presentation of results of operations, financial position and cash flows. These consolidated financial statements should be read in conjunction with the consolidated financial statements and accompanying notes included in BellSouth Telecommunications' latest annual report on Form 10-K. BellSouth Telecommunications is a wholly-owned subsidiary of BellSouth Corporation.

(b) Supplemental Cash Flow Information

BellSouth Telecommunications considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Investments with an original maturity of over three months and to not more than one year are not considered cash equivalents and, if any, are included as temporary cash investments on the consolidated balance sheet.

The following supplemental information is presented in accordance with the provisions of Statement of Financial Accounting Standards ("SFAS") No. 95, "Statement of Cash Flows":

	For the Three Months Ended March 31,	
	1993	1992
Cash paid during the period for:		
Income taxes	\$ 77.7	\$ 87.7
Interest	\$190.5	\$161.0

(c) Postretirement Benefits Other Than Pensions

Substantially all management and non-management employees of BellSouth Telecommunications participate in BellSouth's defined benefit postretirement health and life insurance plans. Effective January 1, 1993, BellSouth adopted SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," to account for these plans. BellSouth's transition benefit obligation of \$1,486 will be amortized over the average remaining service period of active plan participants, which is 15 years. The accounting for the health care plan does not anticipate future adjustments to the cost-sharing arrangements provided for in the written plans.

As of January 1993, the accumulated postretirement health benefit obligation for management retirees is being funded over the average remaining service period of currently active management employees. The accumulated postretirement benefit obligation for pre January 1, 1990 non-management retirees is being funded over a 10-year period. The accumulated postretirement benefit obligation for all other non-management retirees is being funded over the average remaining service period of currently active non-management employees.

BELLSOUTH TELECOMMUNICATIONS, INC.
NOTES TO FINANCIAL STATEMENTS — (Continued)

(c) Postretirement Benefits Other Than Pensions — (Continued)

Postretirement benefit cost allocated to BellSouth Telecommunications for the first quarter of 1993 was \$60.9 which is approximately 24 percent higher than for the same period in 1992. As a result of the increase in postretirement benefit cost, net income for the three months ended March 31, 1993 was reduced by approximately \$8. SFAS No. 106 requires certain disclosures to be made with respect to the components of postretirement benefit cost for the period and a reconciliation of the funded status of the plans with amounts reported in the balance sheet. Such disclosures are not presented because the structure of the BellSouth plans does not permit disaggregation of relevant plan information on an individual company basis.

For measurement purposes, BellSouth used a 12 percent annual rate of increase in the per capita cost of covered health care benefits for 1993; the rate is assumed to decrease gradually to 6 percent in 2007 and remains at that level. The health care cost trend rate assumption significantly affects the amounts reported. A one-percentage-point increase in the assumed health care cost trend rates for each future year would increase BellSouth's accumulated postretirement benefit obligation \$140 and the estimated aggregate service and interest cost components of the 1993 postretirement benefit cost by \$15. For purposes of valuing the postretirement life insurance obligation, a 5.7 percent rate of future increase in compensation at December 31, 1992 was used.

The weighted-average discount rate used in determining the accumulated postretirement benefit obligation was 9 percent. After a 37 percent tax reduction for the management employees' trust, the combined expected long-term rate of return on plan assets used was 8 percent.

(d) Accounting for Income Taxes

Effective January 1, 1993, BellSouth Telecommunications adopted SFAS No. 109, "Accounting for Income Taxes," which applies a balance sheet approach to income tax accounting. In accordance with the new standard, the balance sheet reflects the anticipated tax impact of future taxable income or deductions implicit in the balance sheet in the form of temporary differences. These temporary differences reflect the difference between the basis in assets and liabilities as measured in the financial statements and as measured by tax laws using enacted tax rates. As permitted by the new standard, prior years' financial statements have not been restated. Both the cumulative effect of the adoption of SFAS No. 109 and the effect on pretax income for the three months ended March 31, 1993 were not material.

In accordance with the provisions of SFAS No. 71, "Accounting for the Effects of Certain Types of Regulation", BellSouth Telecommunications has, for its regulated operations, only reflected the balance sheet impact of the adoption of this statement. Specifically, BellSouth Telecommunications recorded a regulatory liability of \$538 coincidental with the reduction of the deferred tax reserves from higher historical to lower current tax rates. This regulatory liability is being amortized over the lives of the related assets.

BELLSOUTH TELECOMMUNICATIONS, INC.
NOTES TO FINANCIAL STATEMENTS — (Continued)

(d) Accounting for Income Taxes — (Continued)

The components of the provision for income taxes by taxing jurisdiction are as follows:

	<u>For the Three Months Ended March 31, 1993</u>
Current:	
Federal	\$219.5
State	37.9
Total Current	<u>257.4</u>
Deferred:	
Federal	(36.0)
State2
Total Deferred	<u>(35.8)</u>
Amortization of investment tax credits — net	<u>(19.3)</u>
Total provision for income taxes	<u>\$202.3</u>

A reconciliation of the Federal statutory income tax rate to BellSouth Telecommunications' effective tax rate follows:

	<u>For the Three Months Ended March 31, 1993</u>
Federal statutory tax rate	34.0%
State income taxes, net of Federal income tax benefit	4.3%
Amortization of ITC	(3.3%)
Miscellaneous items, net	<u>(.5%)</u>
Effective tax rate	<u>34.5%</u>

Temporary differences and carryforwards which give rise to deferred tax assets and (liabilities) are as follows:

	<u>At January 1, 1993</u>
Deferred Compensation	\$ 56.0
Leveraged Employee Stock Ownership Plan	23.3
Bad Debts	50.1
Compensated Absences	60.1
Pensions	<u>139.9</u>
Deferred Tax Assets	<u>329.4</u>
Depreciation	(3,372.4)
Other	<u>(38.8)</u>
Deferred Tax Liabilities	<u>(3,411.2)</u>
Net Deferred Tax Liability	<u>\$(3,081.8)</u>

The net deferred tax liability above reflects the December 31, 1992 deferred tax balance after adoption of SFAS No. 109 on January 1, 1993. Consequently, the net deferred tax liability does not agree to the December 31, 1992 or March 31, 1993 financial statements.

BELLSOUTH TELECOMMUNICATIONS, INC.
NOTES TO FINANCIAL STATEMENTS — (Continued)

(e) Subsequent Event

In May 1993, BellSouth Telecommunications agreed to sell \$450.0 aggregate principal amount of Ten Year 6¼% Notes, due May 15, 2003. The net proceeds from the sale of the notes will be used to redeem and refinance the outstanding \$250.0 Forty Year 9½% Debentures, due March 1, 2019, which were issued by South Central Bell Telephone Company ("South Central Bell") and the outstanding \$200.0 Forty Year 8¼% Debentures, due August 1, 2013, also issued by South Central Bell.

Also in May 1993, BellSouth Telecommunications agreed to sell \$500.0 aggregate principal amount of Five Year 5¼% Notes, due June 8, 1998. The net proceeds from the sale of the notes will be used to redeem and refinance the outstanding \$100.0 Thirty-Seven Year 7.60% Debentures, due September 1, 2008, which were issued by Southern Bell Telephone and Telegraph Company ("Southern Bell"), the outstanding \$150.0 Forty Year 8½% Debentures, due September 1, 2018, also issued by Southern Bell, and the outstanding \$200.0 Thirty-Five Year 9.20% Debentures, due April 1, 2010, which were issued by South Central Bell.

An aggregate charge to net income of \$27.2 (net of taxes of \$16.5) associated with these issues, including call premiums, unamortized debt discount and unamortized issuance costs, will be recognized during the second quarter of 1993 as an extraordinary loss on early extinguishment of debt.

BELLSOUTH TELECOMMUNICATIONS, INC.
SELECTED OPERATING DATA
(Unaudited)

Network Access Lines in Service at March 31 (In Thousands):

	1993	Percentage Gain/(Loss) for the Three Months Ended March 31,	
		1993 vs. 1992	1992 vs. 1991
By Category:			
Residence	13,487.1	2.87	3.04
Business	5,162.3	5.41	4.81
Other	261.0	(5.64)	(2.64)
	<u>18,910.4</u>	3.42	3.42
By State:			
Alabama	1,631.3	3.21	2.91
Florida	4,966.4	3.61	3.27
Georgia	3,106.2	4.74	4.77
Kentucky	1,011.2	2.92	2.71
Louisiana	1,936.9	2.08	2.51
Mississippi	1,057.4	2.53	3.49
North Carolina	1,843.6	3.42	3.43
South Carolina	1,181.2	2.53	3.67
Tennessee	2,176.2	3.68	3.23
Total Access Lines	<u>18,910.4</u>	3.42	3.42
		For the Three Months Ended March 31, 1993	
Access Minutes of Use (In Millions)* @:			
Interstate	13,016.9	5.55	7.47
Intrastate	3,596.0	6.74	6.32
Total	<u>16,612.9</u>	5.80	7.22
Toll Messages (In Millions)*	<u>310.4</u>	(8.60)	(1.39)

* Prior period operating data are often revised at later dates to reflect the most current information.

@ Minutes of Use are classified as either interstate or intrastate based on the percentage interstate usage factor. This factor is updated periodically.

BELLSOUTH TELECOMMUNICATIONS, INC.

SELECTED OPERATING DATA — (Continued)

	For the Three Months Ended March 31, 1993	Year Ended December 31,				
		1992	1991	1990	1989	1988
Ratio of Earnings to Fixed Charges ¹	4.39	4.53	3.86	4.23	4.15	4.28

¹ For the purpose of this ratio: (i) earnings have been calculated by adding net income, interest expense, income taxes and such portion of rental expense representative of the interest factor on such rentals; (ii) fixed charges are comprised of total interest expense and such portion of rental expense representative of the interest factor on such rentals.

	At March 31,	
	1993	1992
Debt Ratio ²	39.0%	37.3%

² This ratio is calculated by dividing the sum of debt maturing within one year and long-term debt, net of unamortized debt issue costs, by the sum of shareholder's equity, debt maturing within one year and long-term debt, net of unamortized debt issuance costs.

Sources of Revenues

Approximately 87% and 86% of BellSouth Telecommunications' Total Operating Revenues for the three months ended March 31, 1993 and 1992, respectively, were from telecommunications services. Charges for local service, access services and toll messages for the three months ended March 31, 1993 account for approximately 56%, 33%, and 11%, respectively, of the telecommunications revenues discussed above. The remainder of BellSouth Telecommunications' Total Operating Revenues is principally derived from directory publishing fees, billing and collection services, customer premises equipment sales and rental of facilities.

BELLSOUTH TELECOMMUNICATIONS, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
(Dollars in Millions)

BellSouth Telecommunications, Inc. ("BellSouth Telecommunications") is a wholly-owned subsidiary of BellSouth Corporation ("BellSouth") and is headquartered in Atlanta, Georgia. BellSouth Telecommunications serves, in the aggregate, 67% of the population and 48% of the territory within Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. BellSouth Telecommunications primarily provides local exchange service and toll communications services within court-defined geographic areas, called Local Access and Transport Areas ("LATAs"), and provides network access services to enable interLATA communications using the long-distance facilities of interexchange carriers. Through subsidiaries, telecommunications-related services and products are provided both inside and outside the nine-state BellSouth Telecommunications' region.

Results of Operations

	<u>For the Three Months</u> <u>Ended March 31,</u>	
	<u>1993</u>	<u>1992</u>
Net Income	\$387.9	\$467.5

Net Income for the three months ended March 31, 1993 decreased \$79.6 compared to the same period last year. Of the overall decrease, an estimated \$25 was due to severe winter weather, including abnormal snowfall and heavy rains and storms in parts of the nine-state wireline service area. Improved business volumes, related increases in operating expenses and rate reductions also impacted the results for first quarter 1993. The results for first quarter 1992 included a one-time gain of \$39.5 attributable to the settlement of a federal income tax matter.

Business Volumes

The number of access lines in service since March 31, 1992 has increased by approximately 625,600, or 3.4%, to 18,910,400, which was the same rate of increase as during the comparable prior year period. The increase in access lines is primarily attributable to improved economic conditions, an increase in the number of second lines in residences and, to a lesser extent, more liberal deposit policies implemented in early 1992 which encouraged certain customers to reconnect service.

Access minutes of use represent the volume of traffic carried by interexchange carriers between LATAs, both interstate and intrastate, using BellSouth Telecommunications' local facilities. Total access minutes of use increased by 911.1 million, or 5.8%, for the three months ended March 31, 1993, compared to the prior year three month increase of 7.2%. The increase in access minutes of use is due to access line growth and also to intraLATA toll competition, which has the effect of increasing access minutes of use while reducing toll messages. The growth rate in total minutes of use continues to be negatively impacted by the migration of interexchange carriers to categories of service that have a lower fixed charge as opposed to a volume-driven charge.

Toll messages, comprised of Message Telecommunications Service and Wide Area Telecommunications Service, decreased 29.2 million (8.6%) for the three month period ended March 31, 1993 compared to the prior year three month decrease of 1.4%. Strong competition in the intraLATA toll market and the effects of expanded local calling area plans in several states are having a continuing impact on toll message volumes. An expanded local calling area in Louisiana, effective in March 1992, accounted for approximately 65% of the decline in first quarter 1993. These

plans and the effects of competition have the effect of shifting calls from toll to local service and access, respectively, but the corresponding revenues are not generally shifted at commensurate rates.

See "Selected Operating Data".

Operating Revenues

Total operating revenues increased \$68.4 (2.1%) for the three month period ended March 31, 1993 as compared to the corresponding period in 1992. The increase resulted primarily from the impact of improved business volumes in key revenue categories, partially offset by rate reductions.

	For the Three Months Ended March 31,	
	1993	1992
Local service	\$1,618.4	\$1,502.8

Local service revenue increased \$115.6 (7.7%) for the three month period ended March 31, 1993 as compared to the same 1992 period. The increase was attributable to an increase in access lines in service since March 31, 1992 and a \$9.9 increase in revenue from secondary central office features, which include custom calling features and custom dialing packages. In addition, changes in and the expansion of local calling area plans, including a plan implemented in Louisiana in March 1992, contributed to the increase for the three month period (see "Toll"). The increase was also due in part to the effect of a \$27.9 refund in Florida during first quarter 1992.

	For the Three Months Ended March 31,	
	1993	1992
Interstate access	\$ 749.4	\$ 732.8

Interstate access revenues increased \$16.6 (2.3%) for the three month period ended March 31, 1993 as compared to the same prior year period. The increase was primarily attributable to increased access demand of 5.6% in minutes of use and an increase of \$9.6 in end user charges attributable to growth in the number of access lines in service. The increase was partially offset by the impact of net settlements with the National Exchange Carriers Association and independent telephone companies, which decreased by approximately \$8.0 and reduced revenues accordingly, a decrease in special access charges of approximately \$9.7 and an increase in billing credits and other adjustments which reduced revenues by approximately \$15.0.

	For the Three Months Ended March 31,	
	1993	1992
Intrastate access	\$ 215.5	\$ 227.2

Intrastate access revenues decreased \$11.7 (5.1%) for the three months ended March 31, 1993 from the comparable 1992 period. The decrease is due to rate reductions of approximately \$14.0 since March 31, 1992 which more than offset a 6.7% increase in access minutes of use. In addition, carriers are switching to high capacity services which causes a decrease in minutes of use and a resulting decrease in revenues.

plant and equipment since March 31, 1992 resulting from continued growth in the customer base and, to a lesser extent, higher depreciation rates in certain jurisdictions. The increase for the period was partially offset by the expiration of inside wire and reserve deficiency amortizations.

	For the Three Months Ended March 31,	
	1993	1992
Selling, general and administrative	\$551.0	\$567.5

Selling, general and administrative includes operating expenses related to sales activities such as salaries, commissions, benefits, travel, marketing and advertising expenses. Also included is provision for uncollectibles, amortization of intangibles and research and development costs. Selling, general and administrative expense decreased \$16.5 (2.9%) for the three months ended March 31, 1993 compared to the same period in 1992. The decrease was due primarily to the effect of a reclassification of certain benefit expenses to Cost of services and products and a small decrease in the provision for uncollectibles. The decrease was partially offset by higher levels of salary and wage expenses resulting primarily from annual wage increases for management and craft employees and, to a lesser extent, an increase in the number of total employees.

	For the Three Months Ended March 31,	
	1993	1992
Interest Expense	\$147.5	\$151.4

Interest Expense decreased \$3.9 (2.6%) for the three month period as compared to the same period in 1992. The decrease was due to a decline in interest rates on borrowings.

	For the Three Months Ended March 31,	
	1993	1992
Other Income (Expense), net.....	\$ (2.8)	\$ 58.1

Other Income (Expense), net decreased \$60.9 for the three months ended March 31, 1993 compared to the same 1992 period. The reported decrease resulted from the inclusion in first quarter 1992 of \$56.6 of interest income related to a tax settlement with the Internal Revenue Service.

	For the Three Months Ended March 31,	
	1993	1992
Provision for Income Taxes	\$202.3	\$240.0

Income taxes decreased \$37.7 (15.7%) for the three months ended March 31, 1993 compared to the same period in 1992. The decrease resulted from lower pre-tax income partially offset by a slightly higher effective tax rate. The effect of the implementation of SFAS No. 109, "Accounting for Income Taxes", effective January 1, 1993, had only a negligible impact on income tax expense and the ongoing impact of SFAS No. 109 on income tax expense is also expected to be negligible (see Note (d)).

Regulatory Environment

Annual Access Tariff

On April 2, 1993, the 1993 Annual Access Tariff was filed with the Federal Communications Commission with proposed access charges scheduled to become effective on July 1, 1993. The filing proposes to increase rates by \$51 annually. BellSouth Telecommunications selected a productivity offset factor of 3.3%, which lowers the level at which earnings will be shared with customers.

	For the Three Months Ended March 31,	
	1993	1992
Toll	\$ 305.1	\$ 336.5

Toll revenues decreased \$31.4 (9.3%) for the three month period ended March 31, 1993 compared to the same prior year period. The decrease for the period reflects rate reductions since March 31, 1992 of approximately \$27.0 as well as an 8.6% decrease in toll messages due to expanded local calling area plans. Expanded local calling areas in Louisiana, effective in March 1992, are shifting more revenues from toll to local. The overall decline in Toll revenues is expected to continue due to the proliferation of these plans, rate reductions and competition due to the resale by competitors of toll services obtained from BellSouth Telecommunications and bypass resulting from direct toll competition.

	For the Three Months Ended March 31,	
	1993	1992
Other services	\$ 448.6	\$ 469.3

Other services revenues, principally comprised of publishing rights fees, revenues from billing and collection services, paging and other mobile services, customer premises equipment sales and maintenance services, and provision of parts and maintenance services for computer equipment, decreased \$20.7 (4.4%) for the three month period ended March 31, 1993 compared to the same prior year period due to the effect of reclassifying in first quarter 1992 a \$27.9 Florida refund from Other services to Local service.

See "Business Volumes".

Operating Expenses

Total operating expenses increased \$128.7 (5.2%) for the three month period ended March 31, 1993 compared to the same period in 1992. Expenses associated with severe winter weather, higher business volumes and higher levels of salary and wage expenses contributed to the increase.

	For the Three Months Ended March 31,	
	1993	1992
Cost of services and products	\$1,339.4	\$1,207.3

Cost of services and products includes employee and employee-related expenses associated with network repair and maintenance, material and supplies expense, cost of tangible goods sold and other expenses associated with providing services. Cost of services and products increased \$132.1 (10.9%) for the three months ended March 31, 1993 compared to the same period last year. The increase was attributable in part to an estimated \$40 of expenses, primarily for increased overtime and materials, incurred to maintain and restore service in the aftermath of severe winter weather in parts of the nine-state wireline service area. Also contributing to the increase for the three month period were higher levels of salary and wage expenses resulting primarily from annual wage increases for management and craft employees and, to a lesser extent, an increase in the number of total employees and an increase in benefit expenses, including amounts reclassified from Selling, general and administrative and the effect of the adoption of Statement of Financial Accounting Standards ("SFAS") No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" effective January 1, 1993 (see Note (c)).

	For the Three Months Ended March 31,	
	1993	1992
Depreciation	\$ 706.1	\$ 693.0

Depreciation expense increased \$13.1 (1.9%) for the three month period ended March 31, 1993 compared to the same prior year period. The increase was due primarily to higher levels of property,

State Regulation

On March 5, 1993, the Florida Commission postponed hearings until January 1994 on BellSouth Telecommunications' proposed incentive regulation plan and its investigations of certain of BellSouth Telecommunications' alleged sales and trouble reporting practices. The Florida Commission's decision resulting from the January 1994 hearings will be retroactive to January 1, 1993.

Other Matters

As previously disclosed, BellSouth Telecommunications sold, in February 1993, \$275.0 aggregate principal amount of Seven Year 6½% Notes, due February 1, 2000 and \$150.0 aggregate principal amount of Twelve Year 7% Notes, due February 1, 2005. The net proceeds from the sales of the notes were used to redeem and refinance the outstanding \$150.0 Thirty Year 8% Debentures, due July 1, 1999, which were issued by Southern Bell, the outstanding \$125.0 Thirty-Two Year 8½% Debentures, due November 1, 2001, which were issued by South Central Bell, and the outstanding \$150.0 Thirty-Four Year 8¼% Debentures, due December 1, 2004, issued by South Central Bell. The expenses and loss associated with the refinancing of these issues were not material.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-Q

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 1993

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 1-8607

BellSouth Corporation

(Exact name of registrant as specified in its charter)

Georgia
(State of
Incorporation)

58-1533433
(I.R.S. Employer
Identification Number)

1155 Peachtree Street, N. E., Atlanta, Georgia 30367-6000
(Address of principal executive offices) (Zip Code)

Registrant's telephone number 404 249-2000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X. No .

At May 11, 1993, a total of 500,553,257 common shares were outstanding.

PART I — FINANCIAL INFORMATION
BELLSOUTH CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In Millions, Except Per Share Amounts)

	<u>For the Three Months Ended March 31,</u>	
	<u>1993</u>	<u>1992</u>
Operating Revenues:		
Network and Related Services		
Local service	\$1,618.4	\$1,502.8
Interstate access	749.4	732.8
Intrastate access	215.5	227.2
Toll	305.1	336.5
Directory advertising and publishing	329.9	331.4
Wireless communications	352.6	262.4
Other services	262.8	345.6
Total Operating Revenues	<u>3,833.7</u>	<u>3,738.7</u>
Operating Expenses:		
Cost of services and products	1,490.8	1,414.9
Depreciation	751.7	737.5
Selling, general and administrative	787.1	754.7
Total Operating Expenses	<u>3,029.6</u>	<u>2,907.1</u>
Operating Income	804.1	831.6
Interest Expense	180.0	198.4
Other Income, net	8.9	87.5
Income before Income Taxes	633.0	720.7
Provision for Income Taxes	221.8	259.8
Net Income	<u>\$ 411.2</u>	<u>\$ 460.9</u>
Weighted Average Common Shares and Equivalent Shares Outstanding	495.4	487.9
Dividends Declared Per Common Share	\$.69	\$.69
Earnings Per Weighted Average Common Share Outstanding	\$.83	\$.94

The accompanying notes are an integral part of these financial statements.

BELLSOUTH CORPORATION
CONSOLIDATED BALANCE SHEETS
(In Millions)

	<u>March 31,</u> 1993	<u>December 31,</u> 1992
	(Unaudited)	
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 156.8	\$ 265.5
Temporary cash investments	70.1	80.6
Accounts receivable, net of allowance for uncollectibles of \$119.1 and \$123.0	2,651.3	2,692.5
Material and supplies	416.6	430.6
Other current assets	256.8	201.8
	<u>3,551.6</u>	<u>3,671.0</u>
Investments and Advances	<u>2,057.5</u>	<u>1,087.1</u>
Property, Plant and Equipment:		
Telephone plant and other equipment	40,429.1	39,800.9
Less: Accumulated depreciation	16,106.3	15,528.3
	<u>24,322.8</u>	<u>24,272.6</u>
Deferred Charges and Other Assets	<u>687.6</u>	<u>630.2</u>
Intangible Assets	<u>1,383.2</u>	<u>1,801.8</u>
Total Assets	<u>\$32,002.7</u>	<u>\$31,462.7</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Debt maturing within one year	\$ 1,754.8	\$ 1,634.6
Accounts payable	908.2	1,077.2
Other current liabilities	2,225.0	2,310.4
	<u>4,888.0</u>	<u>5,022.2</u>
Long-Term Debt:		
Debentures	6,261.1	6,263.0
Other long-term debt	1,045.2	1,096.7
	<u>7,306.3</u>	<u>7,359.7</u>
Deferred Credits and Other Liabilities:		
Accumulated deferred income taxes	3,711.3	3,715.8
Unamortized investment tax credits	585.0	604.3
Other liabilities and deferred credits	1,520.6	962.1
	<u>5,816.9</u>	<u>5,282.2</u>
Shareholders' Equity:		
Common stock, \$1 par value	495.7	493.8
Paid-in capital	7,700.8	7,609.6
Retained earnings	6,472.4	6,395.4
Guarantee of ESOP debt	(677.4)	(700.2)
	<u>13,991.5</u>	<u>13,798.6</u>
Total Liabilities and Shareholders' Equity	<u>\$32,002.7</u>	<u>\$31,462.7</u>

The accompanying notes are an integral part of these financial statements.

BELLSOUTH CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In Millions)

	For the Three Months Ended March 31,	
	1993	1992
Cash Flows from Operating Activities:		
Net income	\$ 411.2	\$ 460.9
Adjustments to net income:		
Depreciation	751.7	737.5
Amortization of intangibles	15.9	16.5
Summary tax assessment settlement	—	90.9
Dividends received from unconsolidated affiliates	43.2	27.3
Undistributed earnings of affiliates	(6.8)	(21.7)
Provision for losses on bad debts	50.1	50.9
Deferred income taxes and unamortized investment tax credits	(50.9)	(38.0)
Allowance for funds used during construction	(5.4)	(3.3)
Net change in accounts receivable	(15.7)	73.5
Net change in material and supplies	(11.7)	(35.3)
Net change in accounts payable and other current liabilities	(248.8)	(.9)
Net change in deferred charges and other assets	(84.7)	(55.5)
Net change in other liabilities and deferred credits	18.8	42.9
Other reconciling items, net	5.1	(38.0)
Net cash provided by operating activities	872.0	1,307.7
Cash Flows from Investing Activities:		
Capital expenditures	(764.2)	(602.7)
Proceeds from disposals of property, plant and equipment	29.8	31.2
Net change in short-term investments	10.5	(2.7)
Business acquisitions	—	(17.9)
Investments in/advances to unconsolidated affiliates	(93.4)	(357.3)
Other investing activities, net	9.6	1.4
Net cash used for investing activities	(807.7)	(948.0)
Cash Flows from Financing Activities:		
Proceeds from short-term borrowings	3,472.2	3,862.9
Repayments of short-term borrowings	(3,283.1)	(3,973.4)
Proceeds of long-term debt	423.7	51.9
Repayment of long-term debt	(529.0)	(51.6)
Payments of capital lease obligations	(3.3)	(3.7)
Proceeds from issuing common and treasury shares	20.8	17.9
Dividends paid	(274.3)	(269.1)
Net cash used for financing activities	(173.0)	(365.1)
Net (Decrease) in Cash and Cash Equivalents	(108.7)	(5.4)
Cash and Cash Equivalents at Beginning of Period	265.5	327.3
Cash and Cash Equivalents at End of Period	\$ 156.8	\$ 321.9

The accompanying notes are an integral part of these financial statements.

BELLSOUTH CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(In Millions, Except Per Share Amounts)

(a) Preparation of Interim Financial Statements

The consolidated financial statements of BellSouth Corporation ("BellSouth") have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain amounts have been reclassified from previous presentations. In the opinion of BellSouth, these statements include all adjustments necessary for a fair presentation of the results of all interim periods reported herein. All adjustments are of a normal recurring nature. Certain information and footnote disclosures prepared in accordance with generally accepted accounting principles have been either condensed or omitted pursuant to SEC rules and regulations. However, BellSouth believes that the disclosures made are adequate for a fair presentation of results of operations, financial position and cash flows. These consolidated financial statements should be read in conjunction with the consolidated financial statements and accompanying notes included in BellSouth's latest annual report on Form 10-K.

(b) BellSouth Corporation Consolidated Shareholders' Equity

	<u>Common Stock</u>	<u>Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Guarantee of ESOP Debt</u>
Balance at December 31, 1992	\$493.8	\$7,609.6	\$6,395.4	\$(700.2)
Net income			411.2	
Dividends			(337.2)	
Shares issued under DRSP	1.5	76.7		
Shares issued in connection with various employee benefit plans4	14.5		
Reduction of ESOP debt and other related activity			3.0	22.8
Balance at March 31, 1993	<u>\$495.7</u>	<u>\$7,700.8</u>	<u>\$6,472.4</u>	<u>\$(677.4)</u>

(c) Postretirement Benefits Other Than Pensions

BellSouth sponsors defined benefit postretirement health and life insurance plans for most of its management and non-management employees. Effective January 1, 1993, BellSouth adopted Statement of Financial Accounting Standards ("SFAS") No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," to account for these plans. BellSouth's transition benefit obligation of \$1,486 will be amortized over the average remaining service period of active plan participants, which is 15 years. The accounting for the health care plan does not anticipate future adjustments to the cost-sharing arrangements provided for in the written plans.

As of January 1993, the accumulated postretirement health benefit obligation for management retirees is being funded over the average remaining service period of currently active management employees. The accumulated postretirement benefit obligation for pre January 1, 1990 non-management retirees is being funded over a 10-year period. The accumulated postretirement benefit obligation for all other non-management retirees is being funded over the average remaining service period of currently active non-management employees.

BELLSOUTH CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(c) Postretirement Benefits Other Than Pensions — (Continued)

Estimated postretirement benefit cost for the year ending December 31, 1993 is composed of the following:

	<u>Health</u>	<u>Life</u>	<u>Total</u>
Benefits to be earned during the year	\$ 30	\$ 9	\$ 39
Interest on accumulated postretirement benefit obligation.....	200	31	231
Estimated return on plan assets	(53)	(45)	(98)
Net amortization and deferral	113	(14)	99
Postretirement benefit cost (income)	<u>\$290</u>	<u>\$(19)</u>	<u>\$271</u>

Postretirement benefit cost recognized in the first quarter of 1993 was \$68 which is approximately 30 percent higher than for the same period in 1992. As a result of the increase in postretirement benefit cost, net income and earnings per share for the three months ended March 31, 1993 were reduced by approximately \$10 and \$.02, respectively.

The following table sets forth the plans' funded status at January 1, 1993:

Accumulated postretirement benefit obligation:

	<u>Health</u>	<u>Life</u>	<u>Total</u>
Retirees	\$ 1,495	\$ 187	\$ 1,682
Fully eligible active plan participants	260	125	385
Other active plan participants	539	44	583
	<u>2,294</u>	<u>356</u>	<u>2,650</u>
Plan assets, primarily equity securities, at fair value	600	564	1,164
Accumulated postretirement benefit obligation in excess of (less than) plan assets	1,694	(208)	1,486
Unrecognized transition (obligation) asset.....	(1,694)	208	(1,486)
Accrued postretirement benefit cost	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

For measurement purposes, a 12 percent annual rate of increase in the per capita cost of covered health care benefits was assumed for 1993; the rate is assumed to decrease gradually to 6 percent in 2007 and remains at that level. The health care cost trend rate assumption significantly affects the amounts reported. A one-percentage-point increase in the assumed health care cost trend rates for each future year would increase the accumulated postretirement benefit obligation \$140 and the estimated aggregate service and interest cost components of the 1993 postretirement benefit cost by \$15. For purposes of valuing the postretirement life insurance obligation, a 5.7 percent rate of future increase in compensation at December 31, 1992 was used.

The weighted-average discount rate used in determining the accumulated postretirement benefit obligation was 9 percent. After a 37 percent tax reduction for the management employees' trust, the combined expected long-term rate of return on plan assets used was 8 percent.

BELLSOUTH CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(d) Accounting for Income Taxes

Effective January 1, 1993, BellSouth adopted SFAS No. 109, "Accounting for Income Taxes," which applies a balance sheet approach to income tax accounting. In accordance with the new standard, the balance sheet reflects the anticipated tax impact of future taxable income or deductions implicit in the balance sheet in the form of temporary differences. These temporary differences reflect the difference between the basis in assets and liabilities as measured in the financial statements and as measured by tax laws using enacted tax rates. The cumulative effect to January 1, 1993 of the adoption of SFAS No. 109 was recorded as a \$7.8 reduction to income tax expense. As permitted by the new standard, prior years' financial statements have not been restated. For the three months ended March 31, 1993, the effect of the adoption of SFAS No. 109 on pretax income was not material.

In accordance with the provisions of SFAS No. 71, "Accounting for the Effects of Certain Types of Regulation", BellSouth has, for its regulated operations, only reflected the balance sheet impact of the adoption of this statement. Specifically, BellSouth Telecommunications recorded a regulatory liability of \$538 coincidental with the reduction of the deferred tax reserves from higher historical to lower current tax rates. This regulatory liability is being amortized over the lives of the related assets.

The components of the provision for income taxes by taxing jurisdiction are as follows:

	<u>For the Three Months Ended March 31, 1993</u>
Current:	
Federal	\$240.3
Foreign	2.1
State	44.0
Total Current	<u>286.4</u>
Deferred:	
Federal	(45.3)
State	—
Total Deferred	<u>(45.3)</u>
Amortization of investment tax credits — net	<u>(19.3)</u>
Total provision for income taxes	<u>\$221.8</u>

A reconciliation of the Federal statutory income tax rate to BellSouth's effective tax rate follows:

	<u>For the Three Months Ended March 31, 1993</u>
Federal statutory tax rate	34.0%
State income taxes, net of Federal income tax benefit	4.8%
Amortization of ITC	(3.0%)
Implementation of SFAS No. 109	(1.2%)
Miscellaneous items, net	<u>(.1%)</u>
Effective tax rate	<u>34.5%</u>

BELLSOUTH CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(d) Accounting for Income Taxes — (Continued)

Temporary differences and carryforwards which give rise to deferred tax assets and (liabilities) are as follows:

	<u>At January 1, 1993</u>
Deferred Compensation	\$ 94.1
Leveraged Employee Stock Ownership Plan	24.5
Bad Debts	68.6
Compensated Absences	73.0
Pensions	150.6
Net Operating Losses	15.8
Other	3.3
	429.9
Valuation Allowance	(25.3)
Deferred Tax Assets	404.6
Depreciation	(3,430.4)
Franchises	(192.8)
Equity Investment	(390.0)
Other	(101.1)
Deferred Tax Liabilities	(4,114.3)
Net Deferred Tax Liability	\$(3,709.7)

The net deferred tax liability above reflects the December 31, 1992 deferred tax balance after adoption of SFAS No. 109 on January 1, 1993. Consequently, the net deferred tax liability does not agree to the December 31, 1992 or March 31, 1993 financial statements. Additionally, the valuation allowance primarily represents federal and state net operating losses that will not be utilized during the carryforward period.

BELLSOUTH CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(e) Supplemental Cash Flow Information

BellSouth considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Investments with an original maturity of over three months and up to not more than one year are not considered cash equivalents and are included as temporary cash investments on the consolidated balance sheet.

The following supplemental information is presented in accordance with the provisions of SFAS No. 95, "Statement of Cash Flows":

	<u>For the Three Months Ended March 31,</u>	
	<u>1993</u>	<u>1992</u>
Cash paid during the period for:		
Income taxes	<u>\$ 69.7</u>	<u>\$ 86.1</u>
Interest	<u>\$224.9</u>	<u>\$209.0</u>
Schedule of Noncash Investing and Financing Activities:		
Common shares issued in lieu of cash dividends under the Shareholder Dividend Reinvestment and Stock Purchase Plan	<u>\$ 66.4</u>	<u>\$ 66.9</u>

(f) Investments and Advances

Investments and Advances of \$2,057.5 at March 31, 1993 consists primarily of BellSouth's investment in unconsolidated affiliates accounted for under the equity method. During the first quarter of 1993, approximately \$1,000 related to the purchase of certain of BellSouth's investments was reclassified from Intangible Assets and is now presented as a component of Investments and Advances.

(g) Subsequent Event

In May 1993, BellSouth Telecommunications agreed to sell \$450.0 aggregate principal amount of Ten Year 6¼% Notes, due May 15, 2003. The net proceeds from the sale of the notes will be used to redeem and refinance the outstanding \$250.0 Forty Year 9½% Debentures, due March 1, 2019, which were issued by South Central Bell Telephone Company ("South Central Bell") and the outstanding \$200.0 Forty Year 8¼% Debentures, due August 1, 2013, also issued by South Central Bell.

Also in May 1993, BellSouth Telecommunications agreed to sell \$500.0 aggregate principal amount of Five Year 5¼% Notes, due June 8, 1998. The net proceeds from the sale of the notes will be used to redeem and refinance the outstanding \$100.0 Thirty-Seven Year 7.60% Debentures, due September 1, 2008, which were issued by Southern Bell Telephone and Telegraph Company ("Southern Bell"), the outstanding \$150.0 Forty Year 8½% Debentures, due September 1, 2018, also issued by Southern Bell, and the outstanding \$200.0 Thirty-Five Year 9.20% Debentures, due April 1, 2010, which were issued by South Central Bell.

An aggregate charge to net income of \$27.2 (net of taxes of \$16.5), or an estimated \$.05 per share, associated with these issues, including call premiums, unamortized debt discount and unamortized issuance costs, will be recognized during the second quarter of 1993 as an extraordinary loss on early extinguishment of debt.

BELLSOUTH CORPORATION
SELECTED OPERATING DATA
(Unaudited)

Network Access Lines in Service at March 31 (In Thousands):

	<u>1993</u>	Percentage Gain/(Loss) for the Three Months Ended March 31,	
		<u>1993 vs. 1992</u>	<u>1992 vs. 1991</u>
By Category:			
Residence	13,487.1	2.87	3.04
Business	5,162.3	5.41	4.81
Other	<u>261.0</u>	(5.64)	(2.64)
	<u>18,910.4</u>	3.42	3.42
By State:			
Alabama	1,631.3	3.21	2.91
Florida	4,966.4	3.61	3.27
Georgia	3,106.2	4.74	4.77
Kentucky	1,011.2	2.92	2.71
Louisiana	1,936.9	2.08	2.51
Mississippi	1,057.4	2.53	3.49
North Carolina	1,843.6	3.42	3.43
South Carolina	1,181.2	2.53	3.67
Tennessee	<u>2,176.2</u>	3.68	3.23
Total Access Lines	<u>18,910.4</u>	3.42	3.42
		For the Three Months Ended March 31, 1993	
Access Minutes of Use (In Millions)* @:			
Interstate	13,016.9	5.55	7.47
Intrastate	<u>3,596.0</u>	6.74	6.32
Total	<u>16,612.9</u>	5.80	7.22
Toll Messages (In Millions)*	<u>310.4</u>	(8.60)	(1.39)

* Prior period operating data are often revised at later dates to reflect the most current information.
@ Minutes of Use are classified as either interstate or intrastate based on the percentage interstate usage factor. This factor is updated periodically.

BELLSOUTH CORPORATION
SELECTED OPERATING DATA — (Continued)

Cellular Customers Served at March 31 (Equity Basis¹):

	<u>1993</u>	<u>Percentage Gain 1993 vs. 1992</u>
Domestic.....	1,193,535	42.9
International	95,842	182.6

¹ Includes customers served based on BellSouth's ownership percentage in all markets served.

	<u>For the Three Months Ended March 31, 1993</u>	<u>Year Ended December 31,</u>				
		<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>	<u>1988</u>
Ratio of Earnings to Fixed Charges ²	3.97	4.00	3.47	3.68	3.85	4.09

² For the purpose of this ratio: (i) earnings have been calculated by adding net income, interest expense, income taxes and such portion of rental expense representative of the interest factor on such rentals; (ii) fixed charges are comprised of total interest expense and such portion of rental expense representative of the interest factor on such rentals.

Sources of Revenues

Approximately 75% of BellSouth's Total Operating Revenues for the three months ended March 31, 1993 and 1992, respectively, and a significantly greater portion of net income are from telecommunications services provided by BellSouth Telecommunications. Charges for local service, access services and toll messages for the three months ended March 31, 1993 account for approximately 56%, 33%, and 11%, respectively, of the telecommunications revenues discussed above. Revenues from directory advertising and publishing services and wireless communications services each accounted for approximately 9% of Total Operating Revenues for the three months ended March 31, 1993.

BELLSOUTH CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF
OPERATIONS AND FINANCIAL CONDITION
(Dollars in Millions, Except Per Share Amounts)

BellSouth Corporation ("BellSouth" or the "Company") is a holding company headquartered in Atlanta, Georgia whose operating telephone company subsidiary, BellSouth Telecommunications, Inc. ("BellSouth Telecommunications") serves, in the aggregate, 67% of the population and 48% of the territory within Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. BellSouth Telecommunications primarily provides local exchange service and toll communications services within court-defined geographic areas, called Local Access and Transport Areas ("LATAs"), and provides network access services to enable interLATA communications using the long-distance facilities of interexchange carriers. Through subsidiaries, telecommunications-related services and products are provided both inside and outside the nine-state BellSouth Telecommunications' region. BellSouth Enterprises, Inc. ("BellSouth Enterprises"), another wholly-owned subsidiary, is a holding company for businesses providing domestic and international wireless communications services and advertising and publishing products.

Results of Operations

	For the Three Months Ended March 31,	
	1993	1992
Net Income	\$411.2	\$460.9
Earnings Per Share	\$.83	\$.94

Net Income and Earnings Per Share for the three months ended March 31, 1993 decreased \$49.7 and \$.11, respectively, compared to the same period last year. Of the overall decrease, an estimated \$25 and \$.05, respectively, was due to severe winter weather, including abnormal snowfall and heavy rains and storms in parts of the nine-state wireline service area. Improved business volumes, related increases in operating expenses and rate reductions also impacted the results for first quarter 1993. The results for first quarter 1992 included a one-time gain of \$39.5 and \$.08, respectively, attributable to the settlement of a federal income tax matter.

Business Volumes

The number of access lines in service since March 31, 1992 has increased by approximately 625,600, or 3.4%, to 18,910,400, which was the same rate of increase as during the comparable prior year period. The increase in access lines is primarily attributable to improved economic conditions, an increase in the number of second lines in residences and, to a lesser extent, more liberal deposit policies implemented in early 1992 which encouraged certain customers to reconnect service.

Access minutes of use represent the volume of traffic carried by interexchange carriers between LATAs, both interstate and intrastate, using BellSouth Telecommunications' local facilities. Total access minutes of use increased by 911.1 million, or 5.8%, for the three months ended March 31, 1993, compared to the prior year three month increase of 7.2%. The increase in access minutes of use is due to access line growth and also to intraLATA toll competition, which has the effect of increasing access minutes of use while reducing toll messages. The growth rate in total minutes of use continues to be negatively impacted by the migration of interexchange carriers to categories of service that have a lower fixed charge as opposed to a volume-driven charge.

Toll messages, comprised of Message Telecommunications Service and Wide Area Telecommunications Service, decreased 29.2 million, or 8.6%, for the three month period ended March 31, 1993, compared to the prior year three month decrease of 1.4%. Strong competition in the intraLATA toll market and the effects of expanded local calling area plans in several states are having a continuing impact on toll message volumes. An expanded local calling area in Louisiana, effective in March 1992, accounted for approximately 65% of the decline in first quarter 1993. These plans and the effects of competition have the effect of shifting calls from toll to local service and access, respectively, but the corresponding revenues are not generally shifted at commensurate rates.

Domestic cellular communications businesses added more than 358,000 customers since March 31, 1992 for a total of over 1,193,000, calculated using the equity basis. Total domestic cellular customers have increased 42.9% over the past year. While total minutes of use have also continued to increase, average minutes of use per cellular customer have declined slightly from the previous year first quarter due to the increased penetration into lower-user market segments. The number of international customers has grown to over 95,800 on an equity basis, an increase of 182.6% over the previous year. The growth in cellular minutes of use for the Company's international cellular properties remains strong.

See "Selected Operating Data".

Operating Revenues

Total operating revenues increased \$95.0 (2.5%) for the three month period ended March 31, 1993 as compared to the corresponding period in 1992. The increase resulted primarily from the impact of improved business volumes in key revenue categories, partially offset by rate reductions.

	For the Three Months Ended March 31,	
	1993	1992
Local service	\$1,618.4	\$1,502.8

Local service revenue increased \$115.6 (7.7%) for the three month period ended March 31, 1993 as compared to the same 1992 period. The increase was attributable to an increase in access lines in service since March 31, 1992 and a \$9.9 increase in revenue from secondary central office features, which include custom calling features and custom dialing packages. In addition, changes in and the expansion of local calling area plans, including a plan implemented in Louisiana in March 1992, contributed to the increase for the three month period (see "Toll"). The increase was also due in part to the effect of a \$27.9 refund in Florida during first quarter 1992.

	For the Three Months Ended March 31,	
	1993	1992
Interstate access	\$ 749.4	\$ 732.8

Interstate access revenues increased \$16.6 (2.3%) for the three month period ended March 31, 1993 as compared to the same prior year period. The increase was primarily attributable to increased access demand of 5.6% in minutes of use and an increase of \$9.6 in end user charges attributable to growth in the number of access lines in service. The increase was partially offset by the impact of net settlements with the National Exchange Carriers Association and independent telephone companies, which decreased by approximately \$8.0 and reduced revenues accordingly, a decrease in special access charges of approximately \$9.7 and an increase in billing credits and other adjustments which reduced revenues by approximately \$15.0.

	<u>For the Three Months Ended March 31,</u>	
	<u>1993</u>	<u>1992</u>
	Intrastate access	\$215.5

Intrastate access revenues decreased \$11.7 (5.1%) for the three months ended March 31, 1993 from the comparable 1992 period. The decrease is due to rate reductions of approximately \$14.0 since March 31, 1992 which more than offset a 6.7% increase in access minutes of use. In addition, carriers are switching to high capacity services which causes a decrease in minutes of use and a resulting decrease in revenues.

	<u>For the Three Months Ended March 31,</u>	
	<u>1993</u>	<u>1992</u>
	Toll	\$305.1

Toll revenues decreased \$31.4 (9.3%) for the three month period ended March 31, 1993 compared to the same prior year period. The decrease for the period reflects rate reductions since March 31, 1992 of approximately \$27.0 as well as an 8.6% decrease in toll messages due to expanded local calling area plans. Expanded local calling areas in Louisiana, effective in March 1992, are shifting more revenues from toll to local. The overall decline in Toll revenues is expected to continue due to the proliferation of these plans, rate reductions and competition due to the resale by competitors of toll services obtained from BellSouth Telecommunications and bypass resulting from direct toll competition.

	<u>For the Three Months Ended March 31,</u>	
	<u>1993</u>	<u>1992</u>
	Directory advertising and publishing	\$329.9

Directory advertising and publishing revenues decreased \$1.5 (0.5%) for the three month period ended March 31, 1993 compared to the same prior year period. The slight decrease was attributable to a shift in timing of release of certain directories, which was offset by increases in prices of advertising sold.

	<u>For the Three Months Ended March 31,</u>	
	<u>1993</u>	<u>1992</u>
	Wireless communications	\$352.6

Wireless communications revenues include revenues from the consolidated wireless communications businesses (primarily cellular and paging within BellSouth Enterprises) as well as revenues from interconnections by unaffiliated carriers with BellSouth Telecommunications. (BellSouth's interest in the net income or loss of the unconsolidated wireless businesses within BellSouth Enterprises which are accounted for under the equity method of accounting is recorded in Other Income.)

Wireless revenues increased \$90.2 (34.4%) over the prior year three month period primarily from the continued growth of the customer base for wireless services in both domestic and international markets. For cellular businesses, the overall domestic growth continues to be moderated by a slight decline in average revenue per customer and average minutes of use per customer because of penetration into market segments with lower usage patterns.

	For the Three Months Ended March 31,	
	1993	1992
Other services	\$ 262.8	\$ 345.6

Other services revenues, principally comprised of revenues from billing and collection services, customer premises equipment sales, computer maintenance and rental of facilities, decreased \$82.8 (24.0%) for the three month period ended March 31, 1993 compared to the same prior year period due to the sale of a subsidiary in late 1992 and the effect of reclassifying in first quarter 1992 a \$27.9 Florida refund from Other services to Local service.

See "Business Volumes".

Operating Expenses

Total operating expenses increased \$122.5 (4.2%) for the three month period ended March 31, 1993 compared to the same period in 1992. Expenses associated with severe winter weather, higher business volumes and higher levels of salary and wage expenses contributed to the increase. The increase was partially offset by the sale of a subsidiary in late 1992.

	For the Three Months Ended March 31,	
	1993	1992
Cost of services and products	\$1,490.8	\$1,414.9

Cost of services and products includes employee and employee-related expenses associated with network repair and maintenance, material and supplies expense, cost of tangible goods sold and other expenses associated with providing services. Cost of services and products increased \$75.9 (5.4%) for the three months ended March 31, 1993 compared to the same period last year. The increase was attributable in part to an estimated \$40 of expenses, primarily for increased overtime and materials, incurred to maintain and restore service in the aftermath of severe winter weather in parts of the nine-state wireline service area. Also contributing to the increase for the three month period were higher levels of salary and wage expenses resulting primarily from annual wage increases for management and craft employees and, to a lesser extent, an increase in the number of total employees, an increase in benefit expenses, including the effect of the adoption of Statement of Financial Accounting Standards ("SFAS") No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" effective January 1, 1993 (see Note (c)), and increased expenses associated with growth in volumes of business in the wireless communications businesses. These increases were partially offset by the sale of a subsidiary in late 1992 and the reclassification of certain expenses to Selling, general and administrative.

	For the Three Months Ended March 31,	
	1993	1992
Depreciation	\$ 751.7	\$ 737.5

Depreciation expense increased \$14.2 (1.9%) for the three month period ended March 31, 1993 compared to the same prior year period. The increase was due primarily to higher levels of property, plant and equipment since March 31, 1992 resulting from continued growth in the customer base and, to a lesser extent, higher depreciation rates in certain jurisdictions. The increase for the period was partially offset by the expiration of inside wire and reserve deficiency amortizations.

	For the Three Months Ended March 31,	
	1993	1992
Selling, general and administrative	\$787.1	\$754.7

Selling, general and administrative includes operating expenses related to sales activities such as salaries, commissions, benefits, travel, marketing and advertising expenses. Also included is provision for uncollectibles, amortization of intangibles and research and development costs. Selling, general and administrative expense increased \$32.4 (4.3%) for the three months ended March 31, 1993 compared to the same period in 1992. The increase was due primarily to increased expenses associated with growth in the wireless communications customer base, the effect of a reclassification of certain expenses from Cost of services and products and higher levels of salary and wage expenses resulting primarily from annual wage increases for management and craft employees and, to a lesser extent, an increase in the number of total employees.

	For the Three Months Ended March 31,	
	1993	1992
Interest Expense	\$180.0	\$198.4

Interest Expense decreased \$18.4 (9.3%) for the three month period as compared to the same period in 1992. The decrease was due to a decline in interest rates on borrowings and lower average levels of debt.

	For the Three Months Ended March 31,	
	1993	1992
Other Income, net	\$ 8.9	\$ 87.5

Other Income, net decreased \$78.6 (89.8%) for the three months ended March 31, 1993 compared to the same 1992 period. The reported decrease resulted from the inclusion in first quarter 1992 of \$56.6 of interest income related to a tax settlement with the Internal Revenue Service. There was also an overall decrease in earnings from unconsolidated businesses, primarily wireless communications, due to the continuing effect of investments in certain start-up operations.

	For the Three Months Ended March 31,	
	1993	1992
Provision for Income Taxes	\$221.8	\$259.8

Income taxes decreased \$38.0 (14.6%) for the three months ended March 31, 1993 compared to the same period in 1992. The decrease resulted from lower pre-tax income and the effect of a one-time transition adjustment related to the implementation of SFAS No. 109, "Accounting for Income Taxes", effective January 1, 1993, which reduced income tax expense by approximately \$7.8. The ongoing impact of SFAS No. 109 on income tax expense is expected to be negligible (see Note (d)).

Financial Condition

BellSouth's cash flow from operations decreased 33.3% to \$872.0 during the first three months of 1993 compared to the same period in 1992. The decrease is due in part to lower net income, the inclusion in first quarter 1992 of \$90.9 related to a tax settlement and a reduction in current liabilities related in part to payment for equipment purchases attributable to Hurricane Andrew. BellSouth uses funds from operations and the capital markets to finance its capital expenditures and other

corporate expenditures. Expenditures for construction of plant, which is BellSouth's primary use of capital resources, totaled \$764.2 during the first three months of 1993, compared to \$602.7 during the first three months of 1992. Substantially all funds supporting construction activity were provided internally and this trend is expected to continue into the foreseeable future.

Cash dividends paid to BellSouth's common shareholders totaled \$274.3 during the first three months of 1993 compared to \$269.1 during the first three months of 1992. In addition, common shares issued in lieu of cash dividends under the Shareholder Dividend Reinvestment and Stock Purchase Plan were \$66.4 for the three months ended March 31, 1993 compared to \$66.9 for the same period last year.

BellSouth's debt to total capitalization ratio decreased from 40.5% at March 31, 1992 to 38.8% at March 31, 1993. The decrease is due to both an increase in stockholders' equity and lower levels of debt.

Regulatory Environment

Annual Access Tariff

On April 2, 1993, the 1993 Annual Access Tariff was filed with the Federal Communications Commission with proposed access charges scheduled to become effective on July 1, 1993. The filing proposes to increase rates by \$51 annually. BellSouth Telecommunications selected a productivity offset factor of 3.3%, which lowers the level at which earnings will be shared with customers.

State Regulation

On March 5, 1993, the Florida Commission postponed hearings until January 1994 on BellSouth Telecommunications' proposed incentive regulation plan and its investigations of certain of BellSouth Telecommunications' alleged sales and trouble reporting practices. The Florida Commission's decision resulting from the January 1994 hearings will be retroactive to January 1, 1993.

Other Matters

As previously disclosed, BellSouth Telecommunications sold, in February 1993, \$275.0 aggregate principal amount of Seven Year 6½% Notes, due February 1, 2000 and \$150.0 aggregate principal amount of Twelve Year 7% Notes, due February 1, 2005. The net proceeds from the sales of the notes were used to redeem and refinance the outstanding \$150.0 Thirty Year 8% Debentures, due July 1, 1999, which were issued by Southern Bell, the outstanding \$125.0 Thirty-Two Year 8½% Debentures, due November 1, 2001, which were issued by South Central Bell, and the outstanding \$150.0 Thirty-Four Year 8¾% Debentures, due December 1, 2004, issued by South Central Bell. The expenses and loss associated with the refinancing of these issues were not material.

In February 1993, the German government awarded to a consortium in which BellSouth owns a 21% interest a license to construct a third cellular network throughout the country. BellSouth expects to invest in the consortium approximately \$250.0 through 1997 for construction of the cellular network system in Germany.

PART II — OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

The following are filed as Exhibits to Part I of this Form 10-Q:

Exhibit
Number

11 — Computation of Earnings Per Common Share

(b) Reports on Form 8-K:

January 25, 1993 — 1992 annual earnings release

April 1, 1993 — BellSouth assesses impact of storms

April 21, 1993 — First quarter 1993 earnings release

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BELLSOUTH CORPORATION

By /s/ Ronald M. Dykes
RONALD M. DYKES
Vice President and Comptroller
(Principal Accounting Officer)

May 12, 1993

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

13. Schedule B-6a-- For the test year and two prior years, monthly consumption and month-end account balances for materials and supplies (M&S) categorized by exempt, non-exempt, and total. Also provide monthly average for each year. Non-exempt is to be separated between new, reusable, sale/scrap and other. The following definitions apply for purposes of this schedule:

- a. Exempt Material - Minor items of materials and supplies that are consumed in or that lose their identity when installed, and that therefore need not be individually accounted for.
- b. Non-Exempt Materials
 - (1) Material New - Plant material, ordered for a specific project held in material and supplies stock until future transfer pursuant to a work order or future charge directly to plant.
 - (2) Material Reusable - Previously installed major plant units or principal components earmarked for reuse.
 - (3) Sale-Scrap Material - Material returned from service and being held for sale or scrap.
 - (4) Other Material - Non-Exempt materials unapplied and unassigned and supplies held in stock for other than exempt material.

Working Capital Materials and Supplies (M & S)
Test Year and Two Prior Years Monthly

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Schedule B-6a
Page 1 of 3
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [] or Year End [X]

Line No.	Year	Month	ACCOUNT 1220.1200 Plant Supplies Exempt		ACCOUNT 1220.1100 Plant Supplies Non-Exempt		ACCOUNT 1220.1300 Motor Vehicle Supplies		ACCOUNT 1220.1400 Central Office, Origination Termination Eqpt. - New		ACCOUNT 1220.1400 Central Office, Origination Termination Eqpt.-Reuse	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	1993	JANUARY										
2.	1993	FEBRUARY										
3.	1993	MARCH										
4.	1993	APRIL										
5.	1993	MAY										
6.	1993	JUNE										
7.	1993	JULY										
8.	1993	AUGUST										
9.	1993	SEPTEMBER										
10.	1993	OCTOBER										
11.	1993	NOVEMBER										
12.	1993	DECEMBER										
13.	Total for Year		0	0	0	0	0	0	0	0	0	0
14.	Monthly Average for Year											

Line No.	Year	Month	ACCOUNT 1220.1500 Corporate Communications Equipment		ACCOUNT 1220.1800 Centralized General Stock Stock Held For Reuse		ACCOUNT 1220.1800 Centralized General Stock Central Stock New		ACCOUNT 1220.1900 Other Material And Supplies		TOTAL * ACCOUNT 1220.0000 Inventories	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
15.	1993	JANUARY									0	72,804,000
16.	1993	FEBRUARY									0	72,840,000
17.	1993	MARCH									0	72,876,000
18.	1993	APRIL									0	72,912,000
19.	1993	MAY									0	72,948,000
20.	1993	JUNE									0	72,984,000
21.	1993	JULY									0	73,020,000
22.	1993	AUGUST									0	73,056,000
23.	1993	SEPTEMBER									0	73,092,000
24.	1993	OCTOBER									0	73,128,000
25.	1993	NOVEMBER									0	73,164,000
26.	1993	DECEMBER									0	73,200,000
27.	Total for Year		0	0	0	0	0	0	0	0	0	876,024,000
28.	Monthly Average for Year										0	73,210,000

* Forecasted data is not available in the detail requested in this schedule. Southern Bell will provide the forecasted balance of Account 1220 by month. Waiver requested in May 28, 1993 letter (see letter attached to MFR A1A).

Supporting Schedules: None

Recap schedules:

B-3a

Working Capital Materials and Supplies (M & S)
Test Year and Two Prior Years Monthly

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Schedule B-6a

Page 2 of 3

Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic [X] or Projected []
Average [] or Year End [X]

Line No.	Year	Month	ACCOUNT 1220.1200 Plant Supplies Exempt		ACCOUNT 1220.1100 Plant Supplies Non-Exempt		ACCOUNT 1220.1300 Motor Vehicle Supplies		ACCOUNT 1220.1400 Central Office, Origination Termination Eqpt. - New		ACCOUNT 1220.1400 Central Office, Origination Termination Eqpt. - Reuse	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	1992	JANUARY	4,087,271	2,590,952	2,683,855	2,603,524	63,371	25,571	1,940,648	51,398	676,366	16,096,625
2.	1992	FEBRUARY	2,573,933	3,173,565	3,336,030	2,166,458	126,742	73,964	18,549	32,849	704,451	18,774,532
3.	1992	MARCH	3,501,189	3,770,641	3,337,816	1,529,756	115,628	167,048	0	32,849	4,099,346	19,422,978
4.	1992	APRIL	3,531,350	3,601,580	3,241,374	1,243,457	39,784	152,406	0	32,849	2,412,860	18,619,289
5.	1992	MAY	3,481,919	3,360,754	2,918,038	1,392,115	76,284	156,647	0	32,849	654,618	18,650,232
6.	1992	JUNE	3,755,114	2,413,459	2,973,691	652,815	158,917	97,680	0	1,662,847	3,178,539	17,260,397
7.	1992	JULY	2,666,303	4,477,147	3,274,841	1,672,434	64,563	88,577	0	1,688,324	1,423,010	17,330,285
8.	1992	AUGUST	3,918,911	4,883,731	2,422,716	2,570,800	89,966	62,331	0	1,737,118	995,226	17,304,498
9.	1992	SEPTEMBER	8,220,794	3,361,365	3,461,520	3,254,202	71,110	67,651	22,352	1,714,766	1,902,263	20,119,136
10.	1992	OCTOBER	4,911,505	5,980,300	4,452,443	5,266,037	82,462	54,238	294	1,714,472	2,251,764	24,192,342
11.	1992	NOVEMBER	4,776,391	6,051,390	4,396,809	6,400,721	45,390	59,346	1,614,846	99,626	2,498,167	28,417,213
12.	1992	DECEMBER	6,021,739	5,131,805	4,636,691	7,187,340	49,121	66,709	0	114,353	3,232,452	29,241,328
13.	Total for Year		51,446,419	48,796,689	41,135,824	35,939,659	983,338	1,072,168	3,596,689	8,914,300	24,029,062	245,428,855
14.	Monthly Average for Year		4,187,204	3,997,217	3,375,874	2,792,630	82,059	90,913	299,724	821,083	1,880,877	19,897,082
Line No.	Year	Month	ACCOUNT 1220.1500 Corporate Communications Equipment		ACCOUNT 1220.1800 Centralized General Stock Stock Held For Reuse		ACCOUNT 1220.1800 Centralized General Stock Central Stock New		ACCOUNT 1220.1900 Other Material And Supplies		TOTAL ACCOUNT 1220.1000 Material And Supplies	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
15.	1992	JANUARY	6,144	888,848	5,332,494	4,365,081	7,641,294	7,911,429	656,189	7,058,800	23,087,632	41,592,228
16.	1992	FEBRUARY	4,941	915,240	2,113,013	5,622,858	9,909,858	10,957,904	1,344,277	6,345,748	20,131,794	48,063,118
17.	1992	MARCH	2,369	943,747	2,878,962	5,034,963	8,933,915	10,445,755	1,556,673	6,277,687	24,425,898	47,625,424
18.	1992	APRIL	0	950,046	1,998,683	6,071,078	6,642,997	12,596,969	1,161,812	6,200,151	19,028,860	49,467,825
19.	1992	MAY	488	963,979	1,336,126	6,057,419	7,507,851	12,787,167	1,072,121	7,057,908	17,047,445	50,459,070
20.	1992	JUNE	1,552	1,033,895	1,913,238	5,687,789	6,327,625	14,370,278	1,639,457	7,298,110	19,948,133	50,477,270
21.	1992	JULY	46,256	990,539	2,129,997	5,360,781	11,234,990	10,965,880	1,731,221	6,753,656	22,571,181	49,327,623
22.	1992	AUGUST	11,754	990,059	2,122,555	5,411,514	7,993,795	12,290,581	1,901,501	6,149,903	19,456,424	51,400,535
23.	1992	SEPTEMBER	21,448	1,002,894	2,713,621	5,324,392	13,076,557	18,804,612	1,223,781	6,617,168	30,713,446	60,266,186
24.	1992	OCTOBER	4,641	1,046,287	1,937,014	5,193,051	20,751,479	22,073,699	791,496	6,901,498	35,183,098	72,421,924
25.	1992	NOVEMBER	4,364	1,074,968	1,639,651	4,801,747	16,743,808	26,911,509	1,013,702	7,099,569	32,733,128	80,916,089
26.	1992	DECEMBER	1,835	1,145,477	1,684,362	4,252,279	24,959,592	24,441,104	1,725,014	6,528,389	42,310,806	78,108,784
27.	Total for Year		105,792	11,945,979	27,799,716	63,182,952	141,723,761	184,556,887	15,817,244	80,288,587	306,637,845	680,126,076
28.	Monthly Average for Year		10,179	984,792	2,270,855	5,434,567	10,770,331	14,789,342	1,261,856	6,694,545	24,138,959	55,502,171

Supporting Schedules: None

Recap schedules:

B-3a

Working Capital Materials and Supplies (M & S)
Test Year and Two Prior Years Monthly

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Schedule B-6a

Page 3 of 3

Witness Responsible: W. S. Reid

Check Whether Data Is:

Historic [X] or Projected []

Average [] or Year End [X]

Line No.	Year	Month	ACCOUNT 1220.1200 Plant Supplies Exempt		ACCOUNT 1220.1100 Plant Supplies Non-Exempt		ACCOUNT 1220.1300 Motor Vehicle Supplies		ACCOUNT 1220.1400 Central Office, Origination Termination Eqpt. - New		ACCOUNT 1220.1400 Central Office, Origination Termination Eqpt.-Reuse	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	1991	JANUARY	4,099,041	3,824,765	4,487,493	2,605,345	91,654	174,372	0	706,988	1,552,173	22,322,705
2.	1991	FEBRUARY	3,483,543	3,619,797	4,123,167	1,870,281	92,815	103,149	0	1,195,133	1,932,899	20,592,024
3.	1991	MARCH	4,196,717	3,510,158	3,834,756	2,426,342	87,779	83,485	0	1,224,422	4,998,355	18,453,157
4.	1991	APRIL	3,862,260	4,146,667	3,300,319	3,218,441	461,748	(296,470)	488,332	736,090	3,583,708	16,929,068
5.	1991	MAY	4,355,912	3,726,238	3,911,912	2,886,614	(266,045)	52,269	68,603	667,629	1,685,489	18,129,317
6.	1991	JUNE	3,447,389	3,744,755	3,062,108	2,844,212	66,116	68,595	0	667,629	848,401	17,348,660
7.	1991	JULY	2,913,190	2,989,595	2,769,012	1,690,704	80,269	64,155	1,787	665,891	444,013	17,892,198
8.	1991	AUGUST	2,060,226	4,036,192	2,711,884	1,626,774	74,636	59,557	142	665,749	728,130	17,734,676
9.	1991	SEPTEMBER	3,813,575	4,036,078	2,796,968	1,749,552	62,890	96,805	636,021	29,729	1,945,348	15,995,967
10.	1991	OCTOBER	4,667,021	3,857,827	2,780,389	2,161,715	73,709	81,050	50	29,679	530,103	15,930,744
11.	1991	NOVEMBER	3,287,757	3,797,976	2,039,002	2,191,832	56,865	120,359	0	51,580	408,667	16,108,268
12.	1991	DECEMBER	3,621,788	3,471,625	3,386,023	2,331,144	51,859	104,274	0	1,991,751	315,372	15,913,575
13.	Total for Year		43,808,419	44,761,673	39,203,033	27,602,956	934,295	711,600	1,194,935	8,632,270	18,972,658	213,350,359
14.	Monthly Average for Year		3,667,537	3,731,308	3,267,533	2,363,273	78,737	60,738	99,578	665,823	1,613,872	18,035,324

Line No.	Year	Month	ACCOUNT 1220.1500 Company Communications Equipment		ACCOUNT 1220.1800 Stock Held For Reuse		ACCOUNT 1220.1900 Other Material And Supplies		TOTAL ACCOUNT 1220.1000 Material And Supplies	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
15.	1991	JANUARY	1,425	1,212,676	0	2,405,189	845,411	8,642,040	11,077,197	41,894,080
16.	1991	FEBRUARY	20,913	1,192,963	52,003	2,957,559	619,511	8,572,068	10,324,851	40,102,974
17.	1991	MARCH	6,389	1,194,464	0	3,884,439	654,808	8,517,994	13,778,804	39,294,461
18.	1991	APRIL	2,256	1,208,437	0	4,169,219	717,770	8,438,039	12,416,393	38,549,491
19.	1991	MAY	286,367	969,021	0	4,721,575	730,531	8,647,860	10,772,769	39,800,523
20.	1991	JUNE	817	1,236,081	0	5,929,945	908,926	8,578,062	8,333,757	40,417,939
21.	1991	JULY	4,926	1,294,471	0	6,749,825	680,020	8,174,151	6,893,217	39,520,990
22.	1991	AUGUST	97,280	1,216,709	0	7,788,222	534,163	8,106,330	6,206,461	41,234,209
23.	1991	SEPTEMBER	41,939	1,205,141	139,777	8,035,268	3,728,825	4,894,773	13,165,343	36,043,313
24.	1991	OCTOBER	4,878	1,211,863	0	9,437,097	631,178	5,300,998	8,687,328	38,010,973
25.	1991	NOVEMBER	428,459	911,362	1,111,754	8,489,464	623,920	5,967,122	7,956,424	37,637,963
26.	1991	DECEMBER	34,548	888,517	585,442	7,904,023	375,067	6,481,000	8,370,099	39,085,909
27.	Total for Year		930,197	13,741,705	1,888,976	72,471,825	11,050,130	90,320,437	117,982,643	471,592,825
28.	Monthly Average for Year		85,039	1,158,418	133,021	5,767,312	941,338	7,636,767	9,886,655	39,418,963

Supporting Schedules: None

Recap schedules:

B-3a

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

14. Schedule B-6b-- A list of items comprising (80%) eighty percent of the total dollar amounts in the exempt, non-exempt material new and non-exempt other categories. For the test year and two prior years, indicate the average number of days needed to obtain delivery of these items after a purchase order has been approved. Indicate if a change in supply levels is anticipated that will affect delivery time and estimate this change. Describe the company policy and planning regarding procurement and stocking of M&S.

Leadtime for Obtaining New
Materials and Supplies (M & S)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1993

Schedule B-6b

Page 1 of 1

Witness Responsible: W. S. Reid

Check Whether Data Is:

Historic [X] or Projected [X]

Average [X] or Year End []

Line No.	Year	Exempt M & S		Non-Exempt M & S (see note)			
		Material	Average Leadtime (Days)	New		Other	
				Material	Average Leadtime (Days)	Material	Average Leadtime (Days)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1.	1993	Miscellaneous Materials	1	Protectors/Stubs	3		
2.	1993	Block Connectors	10	Fiber/Copper Cable	5		
3.	1993			Concrete Pads 80C/80D	21		
4.	1993			12 & 18 Fiber Cable	28		
5.	1993			Cabinets Unequipped	35		
6.	1992	Miscellaneous Materials	1	Protectors/Stubs	3		
7.	1992	Block Connectors	10	Fiber/Copper Cable	5		
8.	1992			Concrete Pads 80C/80D	21		
9.	1992			12 & 18 Fiber Cable	28		
10.	1992			Cabinets Unequipped	35		
11.	1991	Miscellaneous Materials	1	Protectors/Stubs	3		
12.	1991	Block Connectors	10	Fiber/Copper Cable	5		
13.	1991			Concrete Pads 80C/80D	21		
14.	1991			12 & 18 Fiber Cable	28		
15.	1991			Cabinets Unequipped	35		

% of Total Dollars: Represents 80% of total dollar investment.

Note: No change in supply levels is anticipated that will affect delivery time. Southern Bell's policy is to maintain a minimal balance of non-exempt material. As a general rule, non-exempt material should not be ordered unless it can be placed within 40 days of receipt. Internal measurements monitor the amount of material over 40 days old. Exempt material stocking levels are kept at a 30 day supply level, controlled by minimum / maximum levels, established at each work location.

Supporting Schedules: None

Recap Schedules: None

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

15. Schedule B-6c-- A 12-month average balance of all current assets (including materials and supplies) current liabilities, noncurrent assets and other liability and deferred credits disaggregated by primary accounts on a booked and allocated basis, showing any related income or cost for the period. Show intrastate factor and amounts. Segregate between utility and non-utility amounts. When adding amounts to derive subtotals and totals in arriving at the working capital allowance, include only those items with no related income or cost and exclude amounts that are elsewhere included in rate base or capital structure. For accounts where partial inclusion in the working capital allowance computation is evident, show such amounts as a separate line item. Provide a detailed description of any allocation method, procedures or assumptions employed in developing this schedule.

Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
 Company SOUTHERN BELL – FLORIDA
 Docket No. 920260–TL
 Test Year 1993

Schedule B–6c
 Page 1 of 6
 Witness Responsible: W. S. Reid

Check Whether Data Is:
 Historic [X] or Projected []
 Average [X] or Year End []

Line No.	Description	Southern Bell Per Books	Florida Allocated	Associated Income or Cost	Non Utility Related	Utility Related	Associated Income or Cost	Working Capital
1 Current Assets								
2	1130	95,883,925	22,731,886		0	22,731,886		22,731,886
3	1140	662,967	157,179		0	157,179		157,179
4	1150	3,516,369	833,651		0	833,651		833,651
5	1180	0	0		0	0		0
6	1200	112,925	26,772		0	26,772		26,772
7	1201	0	0		0	0		0
8	1180	1,822,452,059	432,061,717		0	432,061,717		432,061,717
9	1181	(83,893,211)	(19,889,162)		0	(19,889,162)		(19,889,162)
10	1190	146,544,923	34,742,451		0	34,742,451		34,742,451
11	1191	0	0		0	0		0
12	1210	608,895	144,355	Accounts 7310, 7320, & 7360	144,355	0		0
13								
14	1220 (A)	297,286,005	70,867,000		0	70,867,000		0
15	1290	1,434,125	339,998		0	339,998		339,998
16	1300	25,001,895	5,927,378		0	5,927,378		5,927,378
17	1310	7,234,756	1,715,195		0	1,715,195		1,715,195
18	1320	0	0		0	0		0
19	1330	8,249,553	1,955,780		0	1,955,780		1,955,780
20	1350	130,827	31,016		0	31,016		31,016
21	TOTAL CURRENT ASSETS	2,325,226,031	551,845,216		144,355	551,500,861		480,633,861
22								
23 Noncurrent Assets								
24	1401	28,537,559	6,765,603		6,765,603	0		0
25	1402	2,305,831	546,660		546,660	0		0
26	1408	0	0		0	0		0
27	1407	0	0		0	0	Capital	0
28	1408	0	0		0	0		0
29	1410	3,681,998	872,917		0	872,917		872,917
30	1438	110,244,958	10,564,472		0	10,564,472		10,564,472
31	1439	489,323,896	116,007,508		0	116,007,508		116,007,508
32	TOTAL NONCURRENT	634,094,242	134,757,160		7,312,263	127,444,897		127,444,897
33								
34	Subtotal (Deb.)	2,959,320,273	686,402,376		7,456,618	678,945,758		608,078,758
35								

36 (A) Account 1220 is recorded on the books of Southern Bell–Florida rather than allocated. The working capital impact is shown on page 3 of this schedule.

37

**Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits**

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1993

Schedule B-6c
Page 2 of 6
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Per Books	Florida Allocated	Associated Income or Cost	Non Utility Related	Utility Related	Associated Income or Cost	Working Capital
38	Current Liab.							
39	4010	944,646,325	223,954,521		0	223,954,521		223,954,521
40	4020	1,038,924,659	246,305,284		0	246,305,284	Capital	0
41	4030	299,851,885	71,088,026		0	71,088,026		71,088,026
42	4040	192,446,282	52,040,000		0	52,040,000	Capital	0
43	4050	1,115	264		0	264	Capital	0
44	4060	12,889,027	3,055,694		0	3,055,694	Capital	0
45	4070	33,293,417	7,893,108		0	7,893,108		7,893,108
46	4080	240,143,209	56,932,465		0	56,932,465		56,932,465
47	4110	490,667	116,326		116,326	0		0
48	4180	51,072,240	12,108,060		0	12,108,060		12,108,060
49	4120.1	203,154,475	48,163,281		0	48,163,281		48,163,281
50	4120.2	132,242,509	31,351,675		0	31,351,675	Capital	0
51	4120.3/4/5/6/9	582,626,895	138,127,516		0	138,127,516		138,127,516
52	4120 TOTAL	918,023,878	217,642,472		0	217,642,472		186,290,797
53	TOTAL CURRENT	3,671,784,703	891,136,220		116,326	891,019,894		558,266,977
54								
55								
56	Other Liability and							
57	Deferred Credits 1							
58	4310	572,502,062	135,727,150		0	135,727,150		135,727,150
59	4320	572,921,569	141,681,000		0	141,681,000	Capital	0
60	4330	0	0		0	0		0
61	4100/4340	3,626,747,421	907,655,000		0	907,655,000	Capital	0
62	4350	(778,101)	(183,996)		(183,996)	0		0
63	4360	242,731,544	57,546,100		0	57,546,100		57,546,100
64	TOTAL OTHER LIAB	5,014,126,496	1,242,425,254		(183,996)	1,242,609,250		193,273,250
65								
66								
67	Subtotal (Credits)	8,685,911,200	2,133,561,474		(67,670)	2,133,629,144		751,540,227
68								
69	Total Per Book	(5,726,590,927)	(1,447,159,098)		7,524,288	(1,454,683,386)		(143,461,469)
70								
71								
72								
73								

**Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits**

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1993

Schedule B-6c
Page 3 of 6
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Description	Southern Bell Per Books	Florida Allocated	Associated Income or Cost	Non Utility Related	Utility Related	Associated Income or Cost	Working Capital
74	Adjustment for amounts excluded							
75	from working capital:							
76								
77	FCC RDA Applicable to Florida (1 439)							0
78	Other							13,512,739
79								
80	Adjusted total							(129,948,730)
81								
82	Intrastate Factor							75.301627%
83								
84	Intrastate Amount excluding							
85	Materials & Supplies							(97,853,509)
86								
87	Adjustment for Florida-specific amounts							
88	Included in working capital:							43,331,000
89								
90	Intrastate Materials & Supplies							52,647,000
91								
92	Intrastate Amount Including							
93	Materials & Supplies							(1,875,509)

Note:

The allocations are made on the ratio of Florida Net Plant plus Materials and Supplies, less Accumulated Deferred Income Taxes and Unamortized Investment Tax Credit.

Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL – FLORIDA
Docket No. 920260--TL
Test Year 1993

Schedule B-60
Page 4 of 6
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Description		Detail of Non Current Assets	
	Account	Subsidiary Record Category	Sub-account Detail	Account Total
90	1401	1400	Sub Account Detail not readily available on Forecast basis.	28,537,559
91		1910		
92		4900		
93				
94	1402	1000		2,288,778
95		3000		
96		5000		
97				
98	1407	1100		168,013,191
99				
100	1408	0		0
101				
102	1410	1000		3,661,998
103		9000		
104				
105	1438	0		44,561,328
106				
107	1439	1000		
108		2000		
109		8100		
110		8200		
111		9100		
112		9210		
113		9220		
114		9400		
115		9700		
116		9800		
117		9900		
118		Clearing accounts		489,323,896
119				
120	Total Non-current Assets			736,406,750

Supporting Schedules: B-6d, B-3a, B-3b

Recap Schedules:

Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1993

Schedule B-6c
Page 5 of 6
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Description		Detail of Other Liabilities and Deferred Credits	
	Account	Subsidiary Record Category	Sub-account Detail	Account Total
119	4100	1100	Sub Account Detail not readily available on Forecast basis.	
120		1200		
121		1900		
122		2100		
123		2200		
124		2900		(16,966,468)
125				
126	4310	0		
127		1000		
128		3000		
129		8000		
130		9000		572,502,062
131				
132	4320	1000		
133		2000		
134		3000		572,991,569
135				
136	4330	0		0

Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1993

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Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description		Detail of Other Liabilities and Deferred Credits	
	Account	Subsidiary Record Category	Sub-account Detail	Account Total
137	4340	1111	Sub Account Detail not readily available on Forecast basis.	
138		1112		
139		1113		
140		1121		
141		1122		
142		1211		
143		1212		
144		1213		
145		1221		
146		2110		
147		2120		
148		2140		
149		2190		
150		2210		
151		2220		
152		2240		
153		2290		3,543,713,889
154				
155	4350	1100		
156		2100		
157		2200		(776,101)
158				
159	4360	1000		
160		2000		
161		3000		
162		3100		
163		3200		
164		4000		
165		9800		
166		9900		
167		Clearing accounts		242,731,544
168				
169	Total Liabilities and			
170	Other Deferred Credits			5,014,196,496

Supporting Schedules: B-6d, B-3a, B-3b

Recap Schedules:

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

16. Schedule B-6d-- A 14-month analysis of the working capital amounts shown on Schedule B-6c using the test year and one month immediately preceding and following the test year.

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
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Schedule B-6d
Page 1 of 6
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [] or Year End [X]

Line No.	Description	Dec 1992	Jan 1993	Feb 1993	Mar 1993	Apr 1993	May 1993	Jun 1993
1	Per Book Amounts							
2	-----							
3	Current Assets:							
4	1130	116,214,205	95,000,000	95,000,000	95,000,000	95,000,000	95,000,000	95,000,000
5	1140	593,698	666,000	666,000	666,000	666,000	666,000	666,000
6	1150	2,792,852	3,221,000	3,636,000	3,343,000	3,138,000	3,944,000	3,855,000
7	1160	0	0	0	0	0	0	0
8	1200	2,349,205	262,000	(3,000)	(4,000)	(5,000)	(6,000)	(7,000)
9	1201	0	0	0	0	0	0	0
10	1180	1,757,592,420	1,792,965,000	1,823,433,000	1,787,803,000	1,800,250,000	1,775,029,000	1,843,024,000
11	1181	(82,242,066)	(86,342,000)	(84,730,000)	(84,285,000)	(84,649,000)	(84,884,000)	(86,476,000)
12	1190	212,375,163	143,560,000	143,484,000	144,380,000	141,319,000	142,005,000	144,292,000
13	1191	0	0	0	0	0	0	0
14	1290	1,519,993	1,730,000	1,580,000	1,640,000	1,490,000	1,328,000	1,468,000
15	1300	20,077,471	25,216,000	25,216,000	25,216,000	25,216,000	25,216,000	25,216,000
16	1310	7,660,136	8,138,000	6,438,000	4,538,000	2,838,000	11,238,000	7,238,000
17	1320	0	0	0	0	0	0	0
18	1330	10,704,264	7,605,000	7,641,000	7,777,000	7,706,000	8,060,000	7,853,000
19	1350	3,231,843	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
20	Total Current Assets	2,052,869,186	1,992,017,000	2,022,357,000	1,986,070,000	1,992,965,000	1,977,592,000	2,042,125,000
21								
22	Noncurrent Assets:							
23	1406	0	0	0	0	0	0	0
24	1407							
25	1408	0	0	0	0	0	0	0
26	1410	2,451,950	3,746,000	3,744,000	3,742,000	3,740,000	3,738,000	3,736,000
27	1438	(6)	49,403,908	48,851,908	48,298,908	47,746,908	47,194,908	46,642,908
28	1439	293,539,495	485,647,000	451,423,000	448,381,000	357,884,000	423,011,000	335,360,000
29	Total Noncurrent Assets	295,991,439	538,796,908	504,018,908	500,421,908	409,370,908	473,943,908	385,738,908
30								
31	Subtotal (Deb.)	2,348,860,625	2,530,813,908	2,526,375,908	2,486,491,908	2,402,335,908	2,451,535,908	2,427,863,908

Supporting Schedules:

Recap Schedule: B-6c

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
Docket No. 920260-TL
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Schedule B-6d
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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [] or Year End [X]

Line No.	Description	Jul 1993	Aug 1993	Sep 1993	Oct 1993	Nov 1993	Dec 1993	Jan 1994
1	Per Book Amounts							
2	-----							
3	Current Assets:							
4	1130	95,000,000	95,000,000	95,000,000	95,000,000	95,000,000	95,000,000	N/A
5	1140	666,000	666,000	666,000	666,000	666,000	666,000	
6	1150	3,560,000	3,381,000	3,278,000	3,670,000	3,877,000	3,794,000	
7	1160	0	0	0	0	0	0	
8	1200	(8,000)	(9,000)	(10,000)	(11,000)	(12,000)	(13,000)	
9	1201	0	0	0	0	0	0	
10	1180	1,791,376,000	1,837,482,000	1,880,966,000	1,867,727,000	1,864,696,000	1,851,755,000	
11	1181	(81,245,000)	(79,542,000)	(79,705,000)	(84,809,000)	(86,980,000)	(83,901,000)	
12	1190	143,320,000	145,663,000	145,052,000	144,405,000	142,911,000	143,921,000	
13	1191	0	0	0	0	0	0	
14	1290	1,435,000	1,361,000	1,304,000	1,268,000	1,238,000	1,215,000	
15	1300	25,216,000	25,216,000	25,216,000	25,216,000	25,216,000	25,216,000	
16	1310	6,238,000	4,738,000	11,738,000	8,538,000	7,138,000	8,338,000	
17	1320	0	0	0	0	0	0	
18	1330	8,321,000	8,295,000	8,228,000	8,835,000	8,807,000	9,029,000	
19	1350	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	
20	Total Current Assets	1,993,875,000	2,042,247,000	2,091,729,000	2,070,501,000	2,062,553,000	2,055,016,000	
21								
22	Noncurrent Assets:							
23	1406	0	0	0	0	0	0	
24	1407			66				
25	1408	0	0	0	0	0	0	
26	1410	3,734,000	3,732,000	3,730,000	3,728,000	3,726,000	3,724,000	
27	1438	46,090,908	45,538,908	44,985,908	44,433,908	43,881,908	43,329,908	
28	1439	584,944,000	760,266,000	354,511,000	644,661,000	701,076,000	355,906,000	
29	Total Noncurrent Assets	634,768,908	809,536,908	403,226,974	692,822,908	748,683,908	402,959,908	
30								
31	Subtotal (Deb.)	2,628,643,908	2,851,783,908	2,494,955,974	2,763,323,908	2,811,236,908	2,457,975,908	

YEAR 1994
FORECAST
IN ANNUAL
TOTALS
ONLY

* Per book amounts for January 1993 are actual.

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
Docket No. 920260-TL
Test Year 1993

Schedule B-6d
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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [] or Year End [X]

Line No.	Description	Dec 1992	Jan 1993	Feb 1993	Mar 1993	Apr 1993	May 1993	Jun 1993
32	Current Liab.:							
33	4010	(1,094,245,801)	(954,858,000)	(932,726,000)	(939,593,000)	(930,695,000)	(930,853,000)	(938,906,000)
34	4030	(288,575,241)	(294,343,000)	(293,688,000)	(295,177,000)	(295,789,000)	(295,767,000)	(300,047,000)
35	4070	(73,536,007)	(85,350,000)	(180,496,000)	(166,793,000)	15,881,000	(73,039,000)	100,340,000
36	4080	(183,608,017)	(141,502,000)	(103,626,000)	(133,542,000)	(161,313,000)	(196,413,000)	(246,156,000)
37	4120.1	(205,925,390)	(223,520,000)	(208,419,000)	(181,599,000)	(191,664,000)	(188,088,000)	(210,012,000)
38	4120.3/4/5/6/7/9	(617,212,479)	(620,292,000)	(538,335,000)	(538,471,000)	(564,014,000)	(555,281,000)	(580,126,000)
39	4130	(18,278,752)	(50,183,000)	(67,995,000)	(66,486,000)	(60,490,000)	(58,089,000)	(53,477,000)
40	Total Current Liab.	(2,481,381,687)	(2,370,048,000)	(2,325,285,000)	(2,321,661,000)	(2,188,084,000)	(2,297,530,000)	(2,228,384,000)
41								
42	Other Liability and							
43	Deferred Credits:							
44	4310	(485,092,635)	(497,741,124)	(512,846,124)	(527,956,124)	(543,064,124)	(557,019,124)	(572,083,124)
45	4360	(234,112,066)	(197,130,000)	(197,716,000)	(207,515,000)	(420,864,000)	(208,597,000)	(333,812,000)
46	Total Other Liability							
47	& Deferred Credits	(719,204,702)	(694,871,124)	(710,562,124)	(735,471,124)	(963,928,124)	(765,616,124)	(905,895,124)
48								
49	Subtotal (Cred.)	(3,200,586,388)	(3,064,919,124)	(3,035,847,124)	(3,057,132,124)	(3,152,012,124)	(3,063,146,124)	(3,134,279,124)
50								
51								
52	Total Per Book	(851,725,763)	(534,105,216)	(509,471,216)	(570,640,216)	(749,676,216)	(611,610,216)	(706,415,216)
53								
54	Allocated Amounts							
55	-----							
56								
57	Current Assets	486,688,351	472,261,689	479,454,609	470,851,791	472,486,438	468,841,851	484,141,150
58	Non Current Assets	70,172,803	127,736,429	119,491,360	118,638,594	97,052,483	112,361,265	91,449,876
59	Subtotal (Debits)	556,861,154	599,998,118	598,945,969	589,490,385	569,538,921	581,203,116	575,591,026
60								
61	Current Liabilities	(588,278,868)	(561,884,196)	(551,271,912)	(550,412,745)	(518,744,692)	(544,691,836)	(528,298,901)
62	Other Liabilities							
63	& Deferred Credits	(170,506,992)	(164,738,057)	(168,458,035)	(174,363,389)	(228,525,321)	(181,510,079)	(214,767,023)
64								
65	Subtotal (Cred.)	(758,785,860)	(726,622,253)	(719,729,947)	(724,776,134)	(747,270,013)	(726,201,916)	(743,065,924)

Supporting Schedules:

Recap Schedule: B-6c

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
Docket No. 920260-TL
Test Year 1993

Schedule B-6d
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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [] or Year End [X]

Line No.	Description	Jul 1993	Aug 1993	Sep 1993	Oct 1993	Nov 1993	Dec 1993	Jan 1994
32	Current Liab.:							
33	4010	(932,784,000)	(942,092,000)	(937,723,000)	(929,804,000)	(940,441,000)	(956,364,000)	
34	4030	(303,890,000)	(304,505,000)	(307,044,000)	(307,652,000)	(305,819,000)	(300,428,000)	
35	4070	31,766,000	(65,801,000)	101,998,000	12,253,000	(83,230,000)	59,436,000	N/A
36	4080	(291,342,000)	(323,426,000)	(360,359,000)	(393,374,000)	(318,617,000)	(240,489,000)	
37	4120.1	(231,123,000)	(216,023,000)	(186,767,000)	(196,831,000)	(193,255,000)	(215,180,000)	
38	4120.3/4/5/6/7/9	(587,219,000)	(590,524,000)	(598,016,000)	(607,690,000)	(605,170,000)	(595,557,000)	YEAR 1994
39	4130	(51,865,000)	(48,296,000)	(42,586,000)	(44,002,000)	(41,362,000)	(37,793,000)	FORECAST
40	Total Current Liab.	(2,366,457,000)	(2,490,667,000)	(2,330,497,000)	(2,467,100,000)	(2,487,894,000)	(2,286,375,000)	IN ANNUAL
41								TOTALS
42	Other Liability and							ONLY
43	Deferred Credits:							
44	4310	(587,148,124)	(602,213,124)	(617,278,124)	(632,344,124)	(647,408,124)	(660,754,124)	
45	4360	(205,741,000)	(206,171,000)	(222,665,000)	(207,207,000)	(207,653,000)	(361,303,000)	
46	Total Other Liability							
47	& Deferred Credits	(792,889,124)	(808,384,124)	(839,943,124)	(839,551,124)	(855,061,124)	(1,022,057,124)	
48								
49	Subtotal (Cred.)	(3,159,346,124)	(3,299,051,124)	(3,170,440,124)	(3,306,651,124)	(3,342,955,124)	(3,308,432,124)	
50								
51								
52	Total Per Book	(530,702,216)	(447,267,216)	(675,484,150)	(543,327,216)	(531,718,216)	(850,456,216)	
53								
54	Allocated Amounts							
55	-----							
56								
57	Current Assets	472,702,178	484,170,073	495,901,124	490,868,451	488,984,162	487,197,311	
58	Non Current Assets	150,489,196	191,922,693	95,595,897	164,252,472	177,495,838	95,532,582	
59	Subtotal (Debits)	623,191,374	676,092,767	591,497,021	655,120,923	666,480,000	582,729,893	
60								
61	Current Liabilities	(561,032,852)	(590,480,204)	(552,507,558)	(584,893,007)	(589,822,789)	(542,047,241)	
62	Other Liabilities							
63	& Deferred Credits	(187,975,884)	(191,649,394)	(199,131,312)	(199,038,378)	(202,715,444)	(242,306,378)	
64								
65	Subtotal (Cred.)	(749,008,736)	(782,129,598)	(751,638,870)	(783,931,384)	(792,538,233)	(784,353,619)	
	* Per book amounts for January 1993 are actual.							

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
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Test Year 1993

Schedule B-6d
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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [] or Year End [X]

Line No.	Description	Dec 1992	Jan 1993	Feb 1993	Mar 1993	Apr 1993	May 1993	Jun 1993
66	Total allocated							
67	before adjustment	(201,924,706)	(126,624,136)	(120,783,978)	(135,285,749)	(177,731,092)	(144,998,799)	(167,474,898)
68								
69	Adjustment for amounts							
70	excluded from working							
71	capital:							
72	4310	2,405,710	2,185,634	2,218,515	2,193,218	2,175,511	2,157,803	2,132,506
73	4360	21,114,597	21,099,135	21,083,672	21,068,210	21,052,747	21,037,285	21,021,823
74	1439	50,883,568	50,281,383	49,679,198	49,077,012	48,474,827	47,872,642	47,270,456
75	4010 Net 1350	580,502	580,502	580,502	580,502	580,502	580,502	580,502
76								
77								
78	Total Working Capital							
79	excluding Materials & Supplies	(126,940,329)	(52,477,482)	(47,222,091)	(62,366,806)	(105,447,504)	(73,350,567)	(96,469,610)

Supporting Schedules:

Recap Schedule: B-6c

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
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Witness Responsible W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Description	Jul 1993	Aug 1993	Sep 1993	Oct 1993	Nov 1993	Dec 1993	Jan 1994
66	Total allocated							
67	before adjustment	(125,817,362)	(106,036,831)	(160,141,849)	(128,810,461)	(126,058,233)	(201,623,726)	
68								
69	Adjustment for amounts							N/A
70	excluded from working							
71	capital:							
72	4310	2,109,739	2,193,218	2,175,511	2,221,045	2,127,447	2,210,926	YEAR 1994 FORECAST IN ANNUAL TOTALS ONLY
73	4360	21,006,360	20,990,898	20,975,435	20,959,973	20,944,511	20,929,048	
74	1439	46,668,271	46,066,086	45,463,900	44,861,715	44,259,530	43,657,344	
75	4010 Net 1350	580,502	580,502	580,502	580,502	580,502	580,502	
76								
77								
78	Total Work. Capital							
79	excluding Materials & Supplies	(55,452,489)	(36,206,127)	(90,946,500)	(60,187,226)	(58,146,243)	(134,245,905)	

Supporting Schedules:

Recap Schedule: B-6c

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

17. Schedule B-7a-- Property held for future use, by item and amount for the test year. Provide the total amount for each column on the schedule and subtotals for each account involved, together with:
- a. Brief description of location.
 - b. Date of acquisition or anticipated date of acquisition.
 - c. Reason for purchase, and, intended use.
 - d. Description of current use of property.
 - e. Cost, including all expenditures, as of the end of the test year.
 - f. Average 12-month balance for the test year.
 - g. Estimated current value of property acquired at least two years prior to the start of the test year (explain methodology used in determining current value).
 - h. Commencement date for construction.
 - i. Anticipated date for placement in service (or date placed in service if closed within the test year).
 - j. Cost of improvements (e.g., fence, fill, rezoning, etc.)
 - k. Rental or other income from property held for future use and the accounts where recorded.

Property Held for Future Use

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-7a

Page 1 of 1

Witness Responsible: W. S. Reid

Check Whether Data Is:

Historic [] or Projected [X]

Average [X] or Year End []

Line No.	Description & Location of Property (1)	Date of Acquisition (2)	Intended Use (3)	Current Use (4)	Cost (5)	Test Year Average Cost (6)	Est. Current Market Value (7)	Construction Commence-ment Date (8)	In Service Date (9)	Other Disposition (see note) (10)	Cost of Improve-ments (11)	Rental Income (12)
1.	LAND - Palm Beach (E0257)	APR 1991	SLC-96	None	26,340	26,340	NA				0	0
2.	LAND - Loxahatchee (E1676)	APR 1991	SLC-96	None	24,226	24,226	NA				0	0
3.	LAND - FT. Pierce (E7212)	SEP 1991	Parking	None	17,550	17,550	NA				0	0
4.	LAND - FT. Pierce (E7213)	SEP 1991	Parking	None	45,044	45,044	NA				0	0
5.	LAND - FT. Pierce (E7214)	OCT 1991	Parking	None	56,633	56,633	NA				0	0
6.	LAND - Cocoa (33615)	MAR 1991	CO	None	65,788	65,788	NA				0	0
7.												
8.												
9.												
10.												
11.												
12.												
13.												
14.												
15.												
16.	TOTAL SRC 2002					<u>235,581</u>						

Note: Other Disposition means a change in plans - anticipated use not within two years.

Supporting Schedules: None

Recap Schedules: None

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

18. Schedule B-7b-- A five-year analysis (ending with the test year) of abandoned construction projects in excess of \$25,000 showing:
- a. Date of work authorization
 - b. Date of abandonment
 - c. Description of property
 - d. Reason for initiation of work
 - e. Reason for abandonment
 - f. Costs incurred while an active project
 - g. Cost of removal and/or salvage

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-7b
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 Witness Responsible: W. S. Reid

Check Whether Data Is:
 Historic or Projected
 Average or Year End

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	May 1987	January 1989	Quadrangle Central Office Orlando	2a	2b	\$34,098	\$0
1a.	To provide for the addition of No. 5 Remote Switching Module (RSM) Power Plant equipment in the proposed Orlando, Florida, Quadrangle Central Office.						
1b.	Due to a change in plan, canceling the purchase of a new Switching System and eliminating the construction of a new building.						
2.	Southeast Area Wide						
2a.	To provide a Remote Switching Center (RSC) to service customers at the West Palm Beach Airport.						
2b.	Cancelled due to a change in plan to delete the West Palm Beach Airport's Remote Switching Center (RSC) from the Palm Beach net undertaking.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

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Witness Responsible: W. S. Reid

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	December 1982	January 1989	Subscriber Loop Carrier SLC-96 Brooksville	1a	1b	\$43,429	\$0
1a.	Provided for the installation of one SLC-96 Maxi-Hut e/w six SLC-96 remote terminals for the Brooksville serving area.						
1b.	Due to a change in plan, it was determined that this equipment would be used on Project NF13557 in the Melbourne area.						
2.	October 1987	February 1989	MCCLURE DMS-100 Central Office Gulf Breeze	2a	2b	\$75,098	\$0
2a.	Provided to add Digital Multiplex System, DMS-100 switching equipment for growth and to replace and retire digital carrier equipment.						
2b.	Due to a change in plan, TEO NF16432 is cancelled, TEO NF16432001 was allowed to complete and service.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

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Check Whether Data Is:
Historic or Projected
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Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	December 1986	March 1989	Deland Main Central Office Deland	1a	1b	\$25,069	\$0
1a.	Provided for the addition of two Subscriber Loop Carrier SLC-96 Central Office Terminal Bay equipment.						
1b.	Due to a change in plan, the project was cancelled. All available material was transferred to various projects.						
2.	May 1987	May 1989	Remote Switching Center Brickell Avenue Building, Miami	2a	2b	\$26,884	\$0
2a.	To provide a new Power Plant to support the proposed Remote Switching Center.						
2b.	Due to a change in plan, the Switching Project to supply power, was cancelled. The material will be reused in project JEA2425.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

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Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	April 1987	November 1989	Warrington Central Office Pensacola	1a	1b	\$43,470	\$0
1a.	Provided to add SB-5285/LAS local toll alarm systems.						
1b.	Due to a change in plan, this local alarm system is no longer economical to install and is being replaced by a newer product recommended by the Florida Alarm Committee.						
2.	April 1989	November 1989	Magnolia Central Office Orlando	2a	2b	\$357,541	\$0
2a.	Provided to add Digital Carrier Trunk Frames and a Trunk Link Network Frame.						
2b.	Due to a change in plan, as described in the Network Engineering Traffic Order. The material will subsequently be used on other authorities.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
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Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	November 1988	November 1989	Southside Boulevard Central Office Jacksonville	1a	1b	\$98,197	\$0
1a.	To provide for an Initial Number Five Electronic Switching System.						
1b.	Due to a change in plan, this project was cancelled.						
2.	August 1988	November 1989	Southside Boulevard Central Office Jacksonville	2a	2b	\$107,054	\$0
2a.	Provided to install circuit equipment.						
2b.	The project was cancelled when American Express did not purchase Southern Bell service and removed the trigger for the new office. The Lightguide Distribution System, LGX, that is now in place will be retained.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
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Witness Responsible: W. S. Reid

Check Whether Data Is:

Historic or Projected

Average or Year End

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	August 1988	November 1989	Central Office Perrine	1a	1b	\$27,080	\$0
1a.	Provided to add a new No.5 Electronic Switching System (5ESS) switch.						
1b.	Cancelled due to a change in plan.						
2.	December 1986	November 1989	Miami International Medical Center Miami	2a	2b	\$103,504	\$0
2a.	Provided for an addition of a new Remote Switching Center (RSC).						
2b.	Cancelled due to a change in plan.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
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Witness Responsible: W. S. Reid

Check Whether Data Is:

Historic or Projected

Average or Year End

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	June 1988	January 1990	Southside Remote Switching Module (RSM) Office Jacksonville	1a	1b	\$50,683	\$0
1a.	To provide a new Power Plant to support the proposed Jacksonville Southside Boulevard No.5 Electronic Switching System (SESS), Remote Switching Module (RSM) Office.						
1b.	The Switching Project NF13176 was cancelled due to a change in plan. The material was transferred to Authority V2273 for reuse.						
2.	May 1988	June 1990	Southside Central Office Jacksonville	2a	2b	\$32,086	\$0
2a.	Provided for a Main Distributing Frame in the Jacksonville Southside Boulevard Central Office.						
2b.	Due to a change in plan, this project was cancelled in its entirety.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
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Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	September 1990	July 1991	Subscriber Carrier Plug-ins North Florida Area	1a	1b	\$54,905	\$0
1a.	Provides for Subscriber Carrier type plug-ins, tools and test equipment to meet the service requirements of various locations in the North Florida Area.						
1b.	Partially cancelled due to the Loop Electronic Inventory Module (LEIM) Conversion.						
2.	October 1990	September 1991	Deerfield Beach Main Central Office Deerfield Beach	2a	2b	\$68,616	\$0
2a.	Addition of Number 1A Electronic Switching System (ESS) equipment to provide additional trunk capacity to meet anticipated demand.						
2b.	Partial abandonment due to a change in plan.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
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Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic [X] or Projected []
Average [] or Year End [X]

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	February 1990	December 1991	Miami - Grande Central Office Miami	1a	1b	\$168,923	\$0
1a.	Replacement of the two Grande 1A Electronic Switching System (1AESS) Switches with growth into the Grande Digital Multiplex System (DMS-100).						
1b.	Partial abandonment due to economic considerations, the Northern Telecom Digital Multiplex System (DMS-100) growth extension was cancelled in favor of the replacement of the two 1A Electronic Switching System (1AESS) with the AT&T No.5 Electronic Switching System Switch.						
2.	August 1990	January 1992	Miami - Metro Central Office Miami	2a	2b	\$41,394	\$0
2a.	Provided for the addition of circuit equipment, AT&T DACS II Frame and DSX1 Panels for the Metro Central Office. The equipment was necessary to provide office relief.						
2b.	Cancelled due to a change in plan.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
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 Test Year 1993

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Check Whether Data Is:
 Historic or Projected
 Average or Year End

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	March 1989	February 1992	Magnolia Central Office Orlando	1a	1b	\$136,175	\$0
1a.	To add Digital Carrier Trunk Frames and a Trunk Link Network Frame in the Orlando-Magnolia 1A Electronic Switching System Central Office. The equipment was required to provide for growth through the 1991 busy season.						
1b.	Cancelled due to a change in the trunk forecast. The anticipated growth did not materialize in the area served by this central office and the equipment was no longer required.						
2.	February 1991	April 1992	Ormond Beach Area Outside Plant Daytona	2a	2b	\$30,843	\$0
2a.	To provide for the engineering in connection with the road widening project for State Road 40 in the Ormond Beach area, as requested by the Department of Transportation.						
2b.	Due to a change in plans, a portion of the engineering was cancelled.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
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Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic or Projected
Average or Year End

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	December 1990	July 1992	Belmont Area Outside Plant Pensacola	1a	1b	\$39,294	\$0
1a.	REHAB project to provide for the rehabilitation of existing outside plant cable in the Belmont Florida area in Pensacola.						
1b.	The project did not prove economical to replace the existing cable.						
2.	April 1989	July 1992	Florida Minicomputer Operation Center Jacksonville	2a	2b	\$37,215	\$0
2a.	Provided for the addition and installation of Tellabs/Telemark hardware and software for the FLEXSERV system in the Jacksonville Florida Mini-computer Maintenance Operation Center consisting in general of, DEC Microvax 3600 minicomputer systems and Decserver 200 Network Terminal Switches.						
2b.	Cancelled due to major vendor design flaws which rendered this project unserviceable.						

Supporting Schedules: None

Recap Schedules: None

**Five Year Analysis
Abandoned Projects Exceeding \$25000**

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-7b

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Witness Responsible: W. S. Reid

Check Whether Data Is:
 Historic or Projected
 Average or Year End

<u>Line No.</u>	<u>Date of Work Authorization</u>	<u>Date of Abandonment</u>	<u>Description of Property</u>	<u>Reason For Initiating Work</u>	<u>Reason For Abandonment</u>	<u>Costs While Active</u>	<u>Net Salvage</u>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.		1993	Budgeted Amount			\$710,000	
1a.							
1b.							

Supporting Schedules: None

Recap Schedules: None

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

19. Schedule B-8a-- A list for the test year of the 20 largest short term telephone plant under construction projects showing:
- a. Project number and description
 - b. Project approval date
 - c. Budget amount
 - d. Initial construction date
 - e. Estimated completion date
 - f. Percent completed
 - g. Most recent budget amount
 - h. Expenditures to date
 - i. Percent expended to date

Telephone Plant Under Construction
Noninterest Projects Test Year

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Schedule B-8a

Page 1 of 1

Witness Responsible: W. S. Reid

Check Whether Data Is:

Historic [] or Projected [X]

Average [] or Year End [X]

Line No.	Description	Project No.	Project Approval Date	Approved Budget Amount	Date Construction Work Begin	Estimated	Percent Completed	Most Recent Budget Estimate	Project Expenditures to Date	Percent of Expenditures to Date
						Project Completion Date				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1.	COE	P3B1142	08-93	4,194,608	08-93	10-93	0.0%	4,200,000	0	0.0%
2.	COE	L0829	11-92	2,233,278	03-93	07-93	73.2%	2,299,500	1,683,800	73.2%
3.	COE	D1015	12-92	1,585,000	04-93	09-93	88.7%	1,784,048	1,581,818	88.7%
4.	COE	F1757	03-93	1,664,839	08-93	12-93	0.4%	1,667,600	6,594	0.4%
5.	COE	F1695	12-92	1,569,202	04-93	08-93	56.9%	1,575,143	895,665	56.9%
6.	COE	D0743	09-92	1,512,005	01-93	06-93	99.5%	8,310,049	8,267,434	99.5%
7.	LNB	P3L1280	06-93	1,500,000	07-93	12-93	0.0%	1,500,000	0	0.0%
8.	COE	F1623	10-92	1,441,213	02-93	05-93	92.4%	1,500,000	1,386,496	92.4%
9.	COE	F1579	09-92	1,420,052	03-93	06-93	88.3%	1,426,925	1,259,698	88.3%
10.	COE	F1717	01-93	1,240,755	05-93	09-93	0.5%	1,240,755	6,158	0.5%
11.	COE	F1747	02-93	1,233,464	08-93	10-93	0.0%	1,234,567	0	0.0%
12.	COE	L1048	03-93	1,221,201	06-93	10-93	0.7%	1,222,000	8,458	0.7%
13.	COE	L1047	03-93	1,203,555	07-93	12-93	0.6%	1,245,000	7,507	0.6%
14.	COE	L1017	01-93	1,055,000	04-93	09-93	89.6%	1,121,917	1,005,279	89.6%
15.	COE	L1142	05-93	1,117,645	10-93	01-94	0.0%	1,182,730	0	0.0%
16.	COE	D1013	11-92	1,100,000	01-93	06-93	91.8%	1,100,000	1,009,940	91.8%
17.	COE	D1041	03-93	1,077,000	05-93	07-93	2.8%	1,082,493	29,772	2.8%
18.	COE	F3903	03-93	1,072,571	04-93	06-93	96.6%	1,072,635	1,036,613	96.6%
19.	COE	D1030	01-93	1,057,895	04-93	08-93	82.2%	1,058,417	869,682	82.2%
20.	OSP	L6951	02-93	986,731	03-93	12-93	76.2%	1,039,308	791,648	76.2%

Supporting Schedules: None

Recap Schedules: None

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

20. Schedule B-8b-- Monthly balances for telephone plant under construction (TPUC) by interest and noninterest bearing accounts. Show average balance for year, amount of interest capitalized and effective rate used. Show authorized IDC rate, effective date, docket number and order number.

Telephone Plant Under Construction
Monthly Balances

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Schedule B-8b

Page 1 of 1
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [] or Year End [X]

Line No.	Month	TPUC Short-term A/C 2003	TPUC Long-term A/C 2004	Interest Portion of A/C 2004	Interest Capitalized	Interest Rate (5/4)**
	(1)	(2)	(3)	(4)	(5)	(6)
1.	DEC 1992	38,269,340	42,489,442	32,845,656	226,306	
2.	JAN 1993	31,395,000	34,819,000	18,142,235	125,000	0.006890
3.	FEB 1993	39,209,000	52,359,000	18,142,235	125,000	0.006890
4.	MAR 1993	46,654,000	41,578,000	18,142,235	125,000	0.006890
5.	APR 1993	53,370,000	41,423,000	18,142,235	125,000	0.006890
6.	MAY 1993	49,545,000	45,180,000	18,142,235	125,000	0.006890
7.	JUN 1993	46,347,000	36,792,000	18,142,235	125,000	0.006890
8.	JUL 1993	46,327,000	38,427,000	18,142,235	125,000	0.006890
9.	AUG 1993	57,141,000	37,876,000	18,142,235	125,000	0.006890
10.	SEP 1993	57,392,000	33,131,000	18,142,235	125,000	0.006890
11.	OCT 1993	46,251,000	31,072,000	18,142,235	125,000	0.006890
12.	NOV 1993	43,049,000	9,728,000	18,142,235	125,000	0.006890
13.	DEC 1993	29,346,000	526,000	18,142,235	125,000	0.006890
14.	TOTAL	546,026,000	402,911,000	217,706,820	1,500,000	0.079979
15.	AVERAGE	45,873,973	35,324,393	18,754,878	129,221	0.082680
16.	Authorized Rate	8.59%	Effective Date	October 1, 1988		
17.	Docket No.	880413-PU	Order No.	23156		

** The booked amount is calculated based on previous months average of Column 4. Therefore, there may be some differences between the interest rate in Column 6 and the actual rate applied.

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

21. Schedule B-9-- An analysis of all non-utility operations both telecommunications and nontelecommunications related, that utilize any part of utility plant. Provide a description of the plant and operations, acquisition date, original cost, average book value, use, capital improvements, associated revenues, expenses and accounts.

Nonutility Operations Utilizing Utility Assets

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1993

Schedule B-9

Page 1 of 1

Witness Responsible:

Check Whether Data Is:

Historic or Projected

Average or Year End

Line No.	Location & Description (1)	Acquisition Date (2)	Account No. (3)	Original Cost (4)	Average Book Value (5)	Description of Use (6)	Nonutility Accumulated Capital Improvements (7)	Associated Revenue Accounts (8)	Revenue Amounts (9)	Associated Expense Accounts (10)	Expense Amounts (11)
1.	Land & Building - Wilton Manors SOC 2901 Dixie Hwy., Oakland Park	1980	2006	1,708,128	1,708,128	Leased	0	7360	107,000	7440	10,639
2.	Land & Building - Brentwood SOC 623 Beechwood St., Jacksonville	1977	2006	556,876	556,876	Leased	0	7360	46,300	7440	20,871
3.	Land & Building - Metro Test Center 1351 N.W. 20 St., Miami (Note 1)	1971	2006	390,132	390,132	Leased	0	7360	4,100	7440	10,497
4.	Land & Building - Flagler/Bunnell SOC St. Rd. 100, Bunnell (Note 2)	1980	2006	318,865	318,865	Leased	0	7360	4,200	7440	*3,772
5.	Land & Building - Abbott SOC 6940 Abbott Ave., Miami Beach	1966	2006	222,508	222,508	Leased	0	7360	44,000	7440	16,263

Note 1: Lease terminated February 28, 1993

Note 2: Expect to sell by June 30, 1993

* 1993 Property Taxes are based on investment as of 1-1-93. This property represents investment transferred to the non-operating account after 1-1-93 and would be subject to non-operating taxes applicable to tax year 1994.

Supporting Schedules: C-21b

Recap Schedules: None

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

22. Schedule B-10-- Detail of each leasing agreement or contract with lifetime costs exceeding one-tenth of one percent (.1%) of plant in service for the test year and the prior year. Include a description of each asset, the capitalized value per Financial Accounting Standards Board's opinion number 13, annual payment, duration of agreement or contract, and final disposition or provision for purchase. Show number of square feet for space rental items. Indicate which, if any, of these leases were entered into under provisions of the Economic Recovery and Tax Act of 1981.

Leasing Arrangements
1993 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL – FLORIDA
Docket No. 920260–TL
Test Year 1993

Schedule B–10
Page 1 of 2
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Asset	Estimated Original Cost (Capitalized Value Per FASB 13)	Annual Payment	Square (1) Feet	Life of Contract	Disposition of Asset Provision for Purch.
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BellSouth – Florida's budget includes no capitalized leases with lifetime lease costs exceeding 0.1% of total plant in service during 1993.

(1) Show square feet for space rental items

Leasing Arrangements
1992 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL – FLORIDA
Docket No. 920260–TL
Test Year 1993

Schedule B–10
Page 2 of 2
Witness Responsible W. S. Reid

Check Whether Data Is:
Historic [] or Projected [X]
Average [X] or Year End []

Line No.	Asset	Estimated Original Cost (Capitalized Value Per FASB 13)	Annual Payment	Square (1) Feet	Life of Contract	Disposition of Asset Provision for Purch.
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BellSouth – Florida had no capitalized leases with lifetime lease costs exceeding 0.1% of total plant in service during 1992.

(1) Show square feet for space rental items

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

23. Schedule B-11-- An itemization of budgeted capital expenditures and cost estimates for central office/toll center additions for the ten (10) largest projects for the test year and the three (3) subsequent calendar years. show line capacity added, retired, and in service on a year-by-year basis.

**Budgeted Expenditures for Central Office/Toll Center Additions
Current Year and Ensuing Three Calendar Years**

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-11

Page 1 of 2

Witness Responsible: **W. S. Reid**

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Line No.	Year	Type of Equipment	Location	(\$M) Cost Estimate	(000) Line Capacity To Be Added	(000) Line Capacity To Be Retired	(000) Year End Line Capacity In Service
1.	1993	SESS	PEMBROKE PINES	8.647	61,000	101,128	61,000
2.	1993	SESS	POMPANO-MARGATE	7.779	98,038	86,235	98,038
3.	1993	SESS	GREENACRES	6.651	104,628	92,160	104,628
4.	1993	SESS	JACARANDA	6.050	77,475	65,536	77,475
5.	1993	SESS	HOLLYWOOD MAIN	5.711	62,795	57,344	62,795
6.	1993	SESS	JACKSONVILLE-ARLINGTON	4.772	40,661	31,982	40,661
7.	1993	CCI DATA BASE	NORTH FLORIDA	4.195	0	0	0
8.	1993	DMS-100	DAYTONA BEACH MAIN	4.031	71,680	57,344	71,680
9.	1993	EWSD	PENSACOLA-FERRY PASS	3.779	65,610	51,970	65,610
10.	1993	EWSD	SEBASTIAN	2.521	17,644	13,680	17,644
			TOTAL	54.136	599,531	557,379	599,531
11.	1994	SESS	MIAMI-RED ROAD	11.723	75,357	55,831	75,357
12.	1994	SESS	WEST HOLLYWOOD	8.366	108,102	98,304	108,102
13.	1994	SESS	CYPRESS	6.345	59,982	48,430	59,982
14.	1994	DMS-100	WEST PALM GARDENS	3.349	0	0	0
15.	1994	AIN	MIAMI-GRANDE	2.700	0	0	0
16.	1994	SCP	WEST PALM GARDENS	2.231	0	0	0
17.	1994	SCP	WEST PALM-HAVERHILL	2.231	0	0	0
18.	1994	DMS-100	MIAMI-WEST DADE	2.032	0	0	0
19.	1994	DMS-100	JACKSONVILLE-CLAY	1.884	0	0	0
20.	1994	DMS-100	PERRINE	1.840	0	0	0
			TOTAL	42.701	243,441	202,565	243,441

Supporting Schedules: None

Recap Schedules: None

Budgeted Expenditures for Central Office/Toll Center Additions
Current Year and Ensuing Three Calendar Years

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993

Schedule B-11

Page 2 of 2

Witness Responsible: W. S. Reid

Check Whether Data Is:

Historic [] or Projected [X]

Average [] or Year End [X]

Line No.	Year	Type of Equipment	Location	(\$M) Cost Estimate	(000) Line Capacity To Be Added	(000) Line Capacity To Be Retired	(000) Year End Line Capacity In Service
1.	1995	DGTL	BOYNTON BEACH	7.733	90,013	71,680	90,013
2.	1995	DGTL	WEST PALM BEACH ANNEX	5.130	50,718	43,008	50,718
3.	1995	SESS	FT. PIERCE	4.600	60,236	60,000	60,236
4.	1995	EWSD	ORANGE PARK-RIDGEWOOD	3.091	23,371	20,000	23,371
5.	1995	SESS	MIAMI-GRANDE	3.044	25,825	14,817	25,825
6.	1995	DMS-100	JACKSONVILLE-SAN JOSE	2.861	6,670	0	45,100
7.	1995	EWSD	MILTON-RAVINE	2.621	26,019	18,104	26,019
8.	1995	DGTL	MIAMI-METRO	2.500	26,975	24,576	26,975
9.	1995	SESS	MIAMI-HIALEAH	2.289	17,320	0	119,850
10.	1995	SCP	NORTH DADE-GOLDEN GLADES	2.250	0	0	0
			TOTAL	36.119	327,147	252,185	468,107
11.	1996	DGTL	POMPANO BEACH FEDERAL	9.550	94,967	70,200	94,967
12.	1996	DGTL	DEERFIELD BEACH	8.850	89,914	59,100	89,914
13.	1996	DGTL	PLANTATION	8.400	77,031	60,700	77,031
14.	1996	DGTL	SUNRISE	6.420	58,203	48,700	58,203
15.	1996	DGTL	RIVERA BEACH	6.210	61,086	43,300	61,086
16.	1996	DMS-100	ORLANDO MAIN	6.048	66,592	35,300	66,592
17.	1996	DGTL	MIAMI-POINCIANA	4.980	57,333	47,300	57,333
18.	1996	DGTL	MIAMI-SILVER OAKS	4.546	69,260	59,500	69,260
19.	1996	DGTL	JUPITER	4.348	62,462	42,500	62,462
20.	1996	DGTL	MIAMI-ALLAPATTAH	3.310	39,948	38,912	39,948
			TOTAL	62.662	676,796	505,512	676,796

Supporting Schedules: None

Recap Schedules: None

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

24. Schedule B-12-- All property either merged or acquired from other telephone companies for the test year. Explain how the property was entered into plant property records (e.g., entered at original cost, purchase price in year of purchase, original cost less accrued book depreciation in year of purchase, etc.). Also, explain the accounting treatment for all acquisition adjustments.

Capital Additions and Retirements
 Property Merged or Acquired from Other Companies
 Test Year

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-12

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Witness Responsible: W. S. Reid

Check Whether Data Is:
 Historic or Projected
 Average or Year End

Line No.	Account No.	Description of Property	Acquisition Cost	Original Cost	Acquisition Adjustment	Case No. or Authority No.	Date of Acquisition	Explanation of Property Accounting Treatment
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	

Nothing to Report

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

25. Schedule B-13-- The plant and reserve balances and depreciation expenses for each account and subaccount to which an individual FPSC depreciation rate is applied, for each month of the test year excluding any amortization/recovery schedule. These balances shall be the ones used to compute the monthly depreciation expenses.

Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-13
 Page 1 of 24
 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2112/40C	Motor Vehicles#	Jan-1-93	39,648	18,442	
2.			Jan-93	39,884	18,388	253
3.		#Composite of: Embedded Light	Feb-93	40,592	17,725	256
4.		Vehicles, Embedded Heavy	Mar-93	41,300	17,067	260
5.		Trucks, New Light Trucks,	Apr-93	42,008	16,413	265
6.		Passenger Vehicles and New	May-93	42,622	15,885	269
7.		Heavy Trucks. Forecast data	Jun-93	43,188	15,423	272
8.		not available for individual	Jul-93	43,424	15,391	275
9.		accounts.	Aug-93	43,660	15,362	277
10.			Sep-93	43,896	15,334	278
11.			Oct-93	44,132	15,307	280
12.			Nov-93	44,274	15,404	281
			Dec-93	44,368	15,563	281
	Twelve month average/total			42,582	16,225	3,245

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

**Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedules B-13 and C-22b cannot balance to B-1a because B-13 and C-22b are completed on a PSC combined basis and Schedule B-1a is on an FR basis.

Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-13
 Page 2 of 24
 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 WHOLE LIFE REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Check appropriate box to indicate type of rate used to develop expenses.		Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
			<input type="checkbox"/> WHOLE LIFE	<input checked="" type="checkbox"/> REMAINING LIFE				
1.	2114/240C	Special Purpose Vehicles		<input checked="" type="checkbox"/>	Jan-1-93	3	3	
2.				<input checked="" type="checkbox"/>	Jan-93	3	3	0
3.				<input checked="" type="checkbox"/>	Feb-93	3	3	0
4.				<input checked="" type="checkbox"/>	Mar-93	3	3	0
5.				<input checked="" type="checkbox"/>	Apr-93	3	3	0
6.				<input checked="" type="checkbox"/>	May-93	3	3	0
7.				<input checked="" type="checkbox"/>	Jun-93	3	3	0
8.				<input checked="" type="checkbox"/>	Jul-93	3	3	0
9.				<input checked="" type="checkbox"/>	Aug-93	3	3	0
10.				<input checked="" type="checkbox"/>	Sep-93	3	3	0
11.				<input checked="" type="checkbox"/>	Oct-93	3	3	0
12.				<input checked="" type="checkbox"/>	Nov-93	3	3	0
				<input checked="" type="checkbox"/>	Dec-93	3	3	0
	Twelve month average/total					3	3	0

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

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Supporting Schedules:

Recap Schedules:

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Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-13
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 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances • (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2121/10, 810C	Buildings#	Jan-1-93	639,581	130,448	
2.			Jan-93	640,901	131,122	1,201
3.			Feb-93	642,790	132,029	1,204
4.		#Composite of: Buildings	Mar-93	644,620	132,950	1,208
5.		(Administration/DPC), Buildings	Apr-93	646,614	133,899	1,211
6.		(Large Central Office),	May-93	648,372	134,863	1,215
7.		Buildings (Local Central	Jun-93	650,510	135,717	1,218
8.		Office) and Buildings	Jul-93	652,308	136,577	1,222
9.		(Miscellaneous). Forecast	Aug-93	654,021	137,399	1,225
10.		data not available for	Sep-93	656,065	138,271	1,229
11.		individual accounts.	Oct-93	658,650	139,201	1,233
12.			Nov-93	660,841	139,982	1,238
			Dec-93	663,981	140,791	1,243
	Twelve month average/total			650,623	135,636	14,648

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

**Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

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Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

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 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
			Jan-1-93	365,296	207,258	
1.	2211/77,877C	Analog Electronic Switching	Jan-93	366,807	209,058	1,800
2.			Feb-93	367,946	210,864	1,806
3.			Mar-93	369,325	212,676	1,812
4.			Apr-93	370,205	214,494	1,818
5.			May-93	371,511	216,318	1,823
6.			Jun-93	372,038	218,146	1,828
7.			Jul-93	373,618	219,979	1,833
8.			Aug-93	374,400	221,818	1,839
9.			Sep-93	375,256	223,661	1,843
10.			Oct-93	375,879	225,507	1,847
11.			Nov-93	376,080	227,356	1,849
12.			Dec-93	376,416	229,206	1,850
	Twelve month average/total			371,993	218,176	21,948

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

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Recap Schedules:

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Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
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 Test Year 1993

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 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2212/377,887C	Digital Electronic Switching	Jan-1-93	1,002,926	245,034	
2.			Jan-93	999,447	251,114	6,257
3.			Feb-93	993,791	257,179	6,229
4.			Mar-93	1,014,403	263,169	6,276
5.			Apr-93	1,018,657	267,815	6,353
6.			May-93	1,034,404	273,755	6,416
7.			Jun-93	1,057,555	277,857	6,537
8.			Jul-93	1,065,017	282,481	6,633
9.			Aug-93	1,065,220	288,724	6,657
10.			Sep-93	1,077,980	294,940	6,698
11.			Oct-93	1,097,896	300,743	6,800
12.			Nov-93	1,125,182	306,899	6,947
			Dec-93	1,169,031	313,813	7,169
	Twelve month average/total			1,052,961	278,675	78,972

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

• Provide explanation and support for any negative balance

**Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

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Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

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Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2220/117C	Operator Systems (Digital)	Jan-1-93	17,869	1,016	
2.			Jan-93	18,581	1,124	108
3.			Feb-93	18,858	1,235	111
4.			Mar-93	20,004	1,350	115
5.			Apr-93	18,638	10	114
6.			May-93	18,395	(193)	110
7.			Jun-93	19,051	(158)	111
8.			Jul-93	19,969	(43)	115
9.			Aug-93	22,995	(235)	127
10.			Sep-93	23,282	(177)	137
11.			Oct-93	23,397	(70)	138
12.			Nov-93	23,402	43	138
			Dec-93	23,391	160	138
	Twelve month average/total			20,600	289	1,463

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

**Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

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Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
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 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2231/67,167C	Radio#	Jan-1-93 Jan-93	5,550 5,550	2,132 2,165	
2.			Feb-93	5,650	2,199	33
3.		#Composite of: Radio (Non-	Mar-93	5,601	2,182	34
4.		Cellular) and Radio (Other).	Apr-93	5,701	2,215	34
5.		Forecast data not available	May-93	5,700	2,248	34
6.		for individual accounts.	Jun-93	5,751	2,232	34
7.			Jul-93	5,751	2,267	34
8.			Aug-93	5,851	2,301	35
9.			Sep-93	5,751	2,233	35
10.			Oct-93	5,850	2,267	35
11.			Nov-93	5,850	2,302	35
12.			Dec-93	5,854	2,238	35
	Twelve month average/total			5,726	2,233	410

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

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Supporting Schedules:

Recap Schedules:

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Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
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 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 WHOLE LIFE REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2232/157,257,357,	Digital Circuit Equipment	Jan-1-93	1,245,772	503,011	
2.	857C		Jan-93	1,250,345	507,368	7,800
3.			Feb-93	1,256,239	511,250	7,833
4.			Mar-93	1,264,567	515,684	7,878
5.			Apr-93	1,271,439	519,311	7,925
6.			May-93	1,277,907	524,272	7,967
7.			Jun-93	1,281,438	528,203	7,998
8.			Jul-93	1,286,874	533,569	8,026
9.			Aug-93	1,292,425	538,878	8,060
10.			Sep-93	1,297,476	540,346	8,093
11.			Oct-93	1,302,975	541,709	8,126
12.			Nov-93	1,308,679	541,978	8,161
			Dec-93	1,315,072	542,929	8,199
	Twelve month average/total			1,280,899	527,128	96,067

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

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Supporting Schedules:

Recap Schedules:

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Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

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 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 WHOLE LIFE REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2232/257,357C	Optical Circuit Equipment	Jan-1-93	360,517	95,493	
2.			Jan-93	366,612	98,829	3,636
3.			Feb-93	371,952	102,222	3,693
4.			Mar-93	378,102	105,673	3,750
5.			Apr-93	383,905	109,160	3,810
6.			May-93	391,229	112,713	3,876
7.			Jun-93	398,229	116,338	3,947
8.			Jul-93	404,505	120,006	4,014
9.			Aug-93	411,651	123,787	4,081
10.			Sep-93	422,437	127,104	4,170
11.			Oct-93	433,742	130,532	4,281
12.			Nov-93	442,489	134,038	4,381
			Dec-93	451,317	137,608	4,469
	Twelve month average/total			400,898	116,413	48,108

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

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Supporting Schedules:

Recap Schedules:

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Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-13
 Page 10 of 24
 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2232/57,457C	Analog Circuit Equipment	Jan-1-93	172,518	97,971	
2.			Jan-93	172,128	101,284	3,949
3.			Feb-93	171,839	104,590	3,941
4.			Mar-93	171,449	107,887	3,934
5.			Apr-93	171,059	111,176	3,925
6.			May-93	170,770	114,457	3,917
7.			Jun-93	170,380	117,730	3,909
8.			Jul-93	169,990	120,994	3,900
9.			Aug-93	169,701	124,251	3,892
10.			Sep-93	167,711	126,006	3,866
11.			Oct-93	165,722	127,716	3,821
12.			Nov-93	163,832	129,381	3,776
			Dec-93	161,962	131,113	3,733
	Twelve month average/total			169,318	116,668	46,563

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

**Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

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Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

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 Witness Responsible W. S. Reid

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 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2351/188,198,288,	Public Telephone Equipment	Jan-1-93	60,954	34,542	
2.	298,988,998C		Jan-93	60,941	34,575	340
3.			Feb-93	60,764	34,559	340
4.			Mar-93	61,969	34,246	343
5.			Apr-93	62,285	34,154	347
6.			May-93	61,948	34,147	347
7.			Jun-93	62,098	33,966	346
8.			Jul-93	62,411	33,694	348
9.			Aug-93	62,384	33,651	348
10.			Sep-93	62,241	33,512	348
11.			Oct-93	62,623	33,311	349
12.			Nov-93	62,163	33,250	348
			Dec-93	61,354	33,128	345
	Twelve month average/total			61,915	33,908	4,148

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Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
			Jan-1-93	104,377	49,779	
1.	2311/318,418C	Information Orig/Term. Assets	Jan-93	104,877	50,288	680
2.			Feb-93	105,477	50,800	684
3.	2341/158,258,		Mar-93	106,127	51,247	688
4.	458C,258NC		Apr-93	106,727	51,768	692
5.			May-93	107,327	52,292	696
6.	2362/358C,358NC,368C		Jun-93	107,977	52,751	700
7.	558,828,858		Jul-93	108,677	53,284	704
8.	758,928,958,		Aug-93	109,277	53,821	708
9.	D758,F758,		Sep-93	109,927	54,293	712
10.	D958,F958C		Oct-93	110,527	54,838	716
11.			Nov-93	111,077	55,353	720
12.			Dec-93	111,777	55,802	724
	Twelve month average/total			108,006	52,794	8,424

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

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Monthly Plant and Reserve Balances and Depreciation Expense
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 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2411/1,811C	Poles	Jan-1-93	122,075	39,986	
2.			Jan-93	122,845	40,151	357
3.			Feb-93	123,504	40,356	359
4.			Mar-93	124,075	40,563	361
5.			Apr-93	124,560	40,695	363
6.			May-93	125,054	40,866	364
7.			Jun-93	125,447	41,039	365
8.			Jul-93	125,881	41,251	367
9.			Aug-93	126,326	41,388	368
10.			Sep-93	126,753	41,526	370
11.			Oct-93	127,122	41,589	370
12.			Nov-93	127,615	41,652	371
			Dec-93	127,975	41,601	373
	Twelve month average/total			125,351	40,989	4,387

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Monthly Plant and Reserve Balances and Depreciation Expense
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 WHOLE LIFE REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
			Jan-1-93	638,565	278,640	
1.	2421.1/12,22,802C	Aerial Cable (Metallic)	Jan-93	640,526	281,319	3,677
2.			Feb-93	642,598	283,955	3,689
3.			Mar-93	645,061	286,825	3,702
4.			Apr-93	647,583	289,599	3,716
5.			May-93	649,907	292,275	3,730
6.			Jun-93	652,056	295,187	3,743
7.			Jul-93	654,089	298,110	3,755
8.			Aug-93	656,516	301,074	3,768
9.			Sep-93	659,238	304,053	3,783
10.			Oct-93	660,604	305,574	3,795
11.			Nov-93	661,399	306,824	3,801
12.			Dec-93	659,865	305,300	3,799
	Twelve month average/total			651,566	294,730	44,958

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Monthly Plant and Reserve Balances and Depreciation Expense
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 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
			Jan-1-93	18,072	1,582	
1.	2421.2/D12,F12,T12	Aerial Cable (Fiber)	Jan-93	18,495	1,623	81
2.	D22,F22,T22,882C		Feb-93	18,936	1,670	83
3.			Mar-93	19,482	1,720	85
4.			Apr-93	19,968	1,782	87
5.			May-93	20,426	1,846	89
6.			Jun-93	20,826	1,912	91
7.			Jul-93	21,236	1,990	93
8.			Aug-93	21,678	2,059	95
9.			Sep-93	22,163	2,131	97
10.			Oct-93	22,443	2,004	99
11.			Nov-93	22,653	1,852	100
12.			Dec-93	22,822	1,677	100
	Twelve month average/total			20,729	1,851	1,099

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

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Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

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 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances • (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2422.1/5,805C	Underground Cable (Metallic)	Jan-1-93	727,017	388,554	
2.			Jan-93	727,505	393,276	5,454
3.			Feb-93	727,931	398,027	5,458
4.			Mar-93	728,572	402,808	5,462
5.			Apr-93	729,228	407,647	5,467
6.			May-93	729,904	412,490	5,472
7.			Jun-93	730,506	417,443	5,477
8.			Jul-93	730,640	422,006	5,479
9.			Aug-93	730,900	426,571	5,481
10.			Sep-93	731,192	431,138	5,483
11.			Oct-93	730,069	434,000	5,480
12.			Nov-93	728,508	436,433	5,470
			Dec-93	723,617	435,335	5,445
	Twelve month average/total			729,189	416,149	65,627

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 Test Year - 12 Months
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 Docket No. 920260-TL
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 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2422.2/D5,F5,T5, 885,985C	Underground Cable (Fiber)	Jan-1-93	162,849	40,825	
2.			Jan-93	164,871	41,190	614
3.			Feb-93	167,191	41,663	623
4.			Mar-93	169,808	42,145	632
5.			Apr-93	172,222	42,712	641
6.			May-93	174,374	43,287	650
7.			Jun-93	176,518	43,870	658
8.			Jul-93	178,767	44,486	666
9.			Aug-93	181,315	45,111	675
10.			Sep-93	183,979	45,746	685
11.			Oct-93	186,402	46,141	694
12.			Nov-93	189,016	46,521	704
		Dec-93	191,249	46,785	713	
	Twelve month average/total			176,793	43,890	7,956

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 WHOLE LIFE REMAINING LIFE

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1.	2423.1/45,846C	Buried Cable (Metallic)	Jan-1-93	2,043,950	944,683	
2.			Jan-93	2,051,284	954,672	11,774
3.			Feb-93	2,058,994	964,599	11,817
4.			Mar-93	2,066,564	974,570	11,861
5.			Apr-93	2,073,932	984,899	11,904
6.			May-93	2,081,832	995,272	11,948
7.			Jun-93	2,088,983	1,005,478	11,991
8.			Jul-93	2,096,647	1,015,831	12,034
9.			Aug-93	2,103,443	1,026,174	12,075
10.			Sep-93	2,109,741	1,036,555	12,113
11.			Oct-93	2,115,805	1,045,238	12,148
12.			Nov-93	2,120,348	1,053,742	12,179
			Dec-93	2,122,900	1,060,376	12,199
	Twelve month average/total			2,087,583	1,004,963	144,043

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Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
			Jan-1-93	88,621	15,567	
1.	2423.2/D45,F45,T45	Buried Cable (Fiber)	Jan-93	89,924	15,793	350
2.	856C		Feb-93	91,180	16,048	355
3.			Mar-93	92,416	16,309	360
4.			Apr-93	93,465	16,598	364
5.			May-93	94,651	16,917	368
6.			Jun-93	95,647	17,216	373
7.			Jul-93	96,613	17,543	377
8.			Aug-93	97,621	17,873	380
9.			Sep-93	98,786	18,209	385
10.			Oct-93	99,896	18,499	389
11.			Nov-93	100,969	18,793	393
12.			Dec-93	102,021	19,066	398
	Twelve month average/total			95,541	17,259	4,490

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			Jan-1-93	9,915	4,974	
1.	2424.1/6C	Submarine Cable#	Jan-93	9,690	4,800	44
2.			Feb-93	9,621	4,770	43
3.	2424.2/D6,F6,T6,	#Composite of: Submarine	Mar-93	9,471	4,667	43
4.	886C	Cable (Metallic) and Submarine	Apr-93	9,434	4,661	42
5.		Cable (Fiber). Forecast data	May-93	9,384	4,655	42
6.		not available for individual	Jun-93	9,339	4,648	42
7.		accounts.	Jul-93	9,314	4,666	42
8.			Aug-93	9,289	4,683	42
9.			Sep-93	9,274	4,701	42
10.			Oct-93	9,179	4,645	41
11.			Nov-93	9,090	4,589	41
12.			Dec-93	8,965	4,508	40
	Twelve month average/total			9,377	4,686	504

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 Test Year - 12 Months
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Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
			Jan-1-93	41,920	23,327	
1.	2426.1/52C	Intrablding. Network Cable (Met.)	Jan-93	41,946	23,523	210
2.			Feb-93	41,971	23,718	210
3.			Mar-93	41,999	23,905	210
4.			Apr-93	42,035	24,082	210
5.			May-93	42,039	24,269	210
6.			Jun-93	42,062	24,455	210
7.			Jul-93	42,105	24,647	210
8.			Aug-93	42,124	24,839	211
9.			Sep-93	42,166	25,031	211
10.			Oct-93	42,200	25,218	211
11.			Nov-93	42,227	25,406	211
12.			Dec-93	42,220	25,570	211
	Twelve month average/total			42,079	24,462	2,525

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 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-13
 Page 22 of 24
 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
			Jan-1-93	114	46	
1.	2426.2/D52,F52	Intrablding. Network Cable (Fiber)	Jan-93	114	46	1
2.	T52C		Feb-93	114	47	0
3.			Mar-93	114	47	0
4.			Apr-93	114	47	1
5.			May-93	114	48	0
6.			Jun-93	114	48	0
7.			Jul-93	114	48	1
8.			Aug-93	114	49	0
9.			Sep-93	114	49	0
10.			Oct-93	114	49	1
11.			Nov-93	114	50	0
12.			Dec-93	114	50	0
	Twelve month average/total			114	48	4

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

**Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedules B-13 and C-22b cannot balance to B-1a because B-13 and C-22b are completed on a PSC combined basis and Schedule B-1a is on an FR basis.

Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-13
 Page 23 of 24
 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
			Jan-1-93	4,427	3,401	
1.	2431/3C	Aerial Wire	Jan-93	4,411	3,413	38
2.			Feb-93	4,398	3,426	37
3.			Mar-93	4,381	3,438	37
4.			Apr-93	4,352	3,431	37
5.			May-93	4,319	3,424	37
6.			Jun-93	4,287	3,416	37
7.			Jul-93	4,262	3,412	36
8.			Aug-93	4,234	3,408	36
9.			Sep-93	4,205	3,404	36
10.			Oct-93	4,162	3,383	36
11.			Nov-93	4,121	3,361	35
12.			Dec-93	4,077	3,335	35
	Twelve month average/total			4,282	3,407	437

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

**Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedules B-13 and C-22b cannot balance to B-1a because B-13 and C-22b are completed on a PSC combined basis and Schedule B-1a is on an FR basis.

Monthly Plant and Reserve Balances and Depreciation Expense
 Test Year - 12 Months
 (\$000)

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-13
 Page 24 of 24
 Witness Responsible W. S. Reid

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.
 () WHOLE LIFE (X) REMAINING LIFE

Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances * (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2441/4,84C	Conduit	Jan-1-93	635,390	142,615	
2.			Jan-93	637,252	143,615	1,061
3.			Feb-93	639,264	144,617	1,064
4.			Mar-93	641,173	145,623	1,067
5.			Apr-93	643,084	146,614	1,070
6.			May-93	645,031	147,609	1,073
7.			Jun-93	646,448	148,606	1,076
8.			Jul-93	648,230	149,642	1,079
9.			Aug-93	649,808	150,681	1,082
10.			Sep-93	651,336	151,723	1,084
11.			Oct-93	653,338	152,749	1,087
12.			Nov-93	655,037	153,778	1,090
			Dec-93	656,390	154,322	1,093
	Twelve month average/total			646,324	148,644	12,926

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance

**Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedules B-13 and C-22b cannot balance to B-1a because B-13 and C-22b are completed on a PSC combined basis and Schedule B-1a is on an FR basis.

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

26. Schedule B-14a-- An analysis of accumulated investment tax credits (ITC) generated and amortized on an annual basis beginning with the ending balance in the last rate case. Also provide this data on a monthly basis for the test year. Annual data may be substituted for monthly data for the 3% unamortized ITC. Amounts provided by the Revenue Act of 1971 and subsequent acts shall be shown separately from amounts applicable to prior laws. If a partially or wholly projected test year is employed, provide information for the projected periods in a manner consistent with the Internal Revenue Code and Regulations for calculating the amount to be used in ratemaking. Provide a copy of any elections made under Section 46(e), 46(f), and other sections of the Internal Revenue Code relative to ITC. Explain accounting policy as to method of amortization for both progress payments and other ITC. Explanation should include at least a description of how the time period for amortization is determined, when it begins, and under what circumstances it changes. Also provide 12-month average amounts on both total company and jurisdictional bases.

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993
 000's Omitted
 Check Whether Data is:
 Historic () or Projected (X)
 Average () or Year End (X)

Investment Tax Credits - Analysis
 Total Credits

Schedule B-14a
 Page 1a of 3
 Witness Responsible: W. S. Reid

Type of ITC 3%								Type of ITC 4%					
Line No.	Year/Month	Amount Realized*		Amortization		Ending Balance		Amount Realized*		Amortization		Ending Balance	
		Beginning Balance	Current Year	Prior Year Adjustment	Current Year			Prior Year Adjustment	Beginning Balance	Current Year	Prior Year Adjustment		Current Year
1	1988	1,149			138	1,011		8,329			1,000	7,329	
2	1989	1,011			124	887		7,329			903	6,426	
3	1990	887		2	115	771	(1)	6,426	3	17	833	5,580	
4	1991	771			139	632		5,580			806	4,774	
5	BSS,BCS	632				632		4,774				4,774	
6	1992	632			143	489		4,774			683	4,091	
7	01/93	489			12	477		4,091			57	4,034	
8	02/93	477			12	465		4,034			57	3,977	
9	03/93	465			12	453		3,977			57	3,920	
10	04/93	453			12	441		3,920			57	3,863	
11	05/93	441			12	429		3,863			57	3,806	
12	06/93	429			12	417		3,806			57	3,749	
13	07/93	417			12	405		3,749			57	3,692	
14	08/93	405			12	393		3,692			57	3,635	
15	09/93	393			12	381		3,635			57	3,578	
16	10/93	381			12	369		3,578			57	3,521	
17	11/93	369			12	357		3,521			57	3,464	
18	12/93	357			12	345		3,464			58	3,406	
					144					685			
					Florida			Florida					
Company 12 Month Average For:					417			3,749					
Test Year					565			4,461					
Prior Year					75.5538%			75.5538%					
Intrastate Factor					315			2,833					
Intrastate ITC					102			916					
Interstate ITC													

Supporting Schedules: C-23b, C-23d, C-23h

Recap Schedules:

* Amount in the Realized column in Recapture.

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993
 000's Omitted
 Check Whether Data is:
 Historic () or Projected (X)
 Average () or Year End (X)

Investment Tax Credits - Analysis
 Total Credits

Schedule B-14a
 Page 1b of 3
 Witness Responsible: W. S. Reid

Line No.	Year/Month	Type of ITC 8%						Type of ITC 10%					
		Amount Realized*			Amortization			Amount Realized*			Amortization		
		Beginning Balance	Current Year	Prior Year Adjustment	Current Year	Prior Year Adjustment	Ending Balance	Beginning Balance	Current Year	Prior Year Adjustment	Current Year	Prior Year Adjustment	Ending Balance
1	1988	115,745			13,903		101,842	179,997			17,886	947	161,164
2	1989	101,842			12,542		89,300	161,164			14,700	146	146,318
3	1990	89,300	41	236	11,578	(91)	77,536	140,318	58	330	20,784	(253)	125,399
4	1991	77,536	4		12,200		65,332	125,399		1,486	14,645		109,268
5	BSS,BCS	65,332					65,332	109,268				(279)	109,547
6	1992	65,332		(48)	12,382		52,998	109,547		(165)	13,939	5	95,768
7	01/93	52,998			877		52,121	95,768			927		94,841
8	02/93	52,121			877		51,244	94,841			927		93,914
9	03/93	51,244			877		50,367	93,914			927		92,987
10	04/93	50,367			877		49,490	92,987			927		92,060
11	05/93	49,490			877		48,613	92,060			927		91,133
12	06/93	48,613			877		47,736	91,133			927		90,206
13	07/93	47,736			878		46,858	90,206			927		89,279
14	08/93	46,858			877		45,981	89,279			927		88,352
15	09/93	45,981			876		45,105	88,352			925		87,427
16	10/93	45,105			876		44,229	87,427			925		86,502
17	11/93	44,229			877		43,352	86,502			927		85,575
18	12/93	43,352			882		42,470	85,575			932		84,643
					10,528						11,125		
							Florida						Florida
Company 12 Month Average For:													
Test Year							47,736						90,207
Prior Year							59,633						103,106
Intrastate Factor							75.5538%						75.5538%
Intrastate ITC							36,066						68,155
Interstate ITC							11,670						22,052

Supporting Schedules: C-23b, C-23d, C-23h

Recap Schedules:

* Amount in the Realized column in Recapture.

**Investment Tax Credits -- Analysis
Total Credits**

Schedule B-14a
Page 1c of 3
Witness Responsible: W. S. Reid

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1993
000's Omitted
Check Whether Data is:
Historic () or Projected (X)
Average () or Year End (X)

Line No.	Year/Month	Type of ITC 3% Sec. 38						Type of ITC - Total					
		Amount Realized*		Amortization		Ending Balance	Amount Realized*		Amortization		Ending Balance		
		Beginning Balance	Current Year	Prior Year Adjustment	Current Year		Prior Year Adjustment	Beginning Balance	Current Year	Prior Year Adjustment		Current Year	Prior Year Adjustment
1	1988	273			(270)	549	305,493	0	0	32,651	947	271,895	
2	1989	549			303	246	271,895	0	0	28,572	146	243,177	
3	1990	246			46	200	243,177	102	585	33,356	(352)	209,486	
4	1991	200			44	156	209,486	4,338	1,486,239	27,834	0	180,162	
5	BSS,BCS	156				156	180,162				(279)	180,441	
6	1992	156			44	112	180,441	0	(213)	27,191	5	153,458	
7	01/93	112			4	108	153,458	0	0	1,877	0	151,581	
8	02/93	108			4	104	151,581	0	0	1,877	0	149,704	
9	03/93	104			4	100	149,704	0	0	1,877	0	147,827	
10	04/93	100			4	96	147,827	0	0	1,877	0	145,950	
11	05/93	96			4	92	145,950	0	0	1,877	0	144,073	
12	06/93	92			4	88	144,073	0	0	1,877	0	142,196	
13	07/93	88			3	85	142,196	0	0	1,877	0	140,319	
14	08/93	85			3	82	140,319	0	0	1,876	0	138,443	
15	09/93	82			3	79	138,443	0	0	1,873	0	136,570	
16	10/93	79			3	76	136,570	0	0	1,873	0	134,697	
17	11/93	76			3	73	134,697	0	0	1,876	0	132,821	
18	12/93	73			3	70	132,821	0	0	1,887	0	130,934	
					42					22,524			
						Florida					Florida		
Company 12 Month Average For:							90					142,198	
Test Year							134					167,899	
Prior Year							75.5538%					75.5538%	
Intrastate Factor							68					107,436	
Intrastate ITC							22					34,762	
Interstate ITC													

Supporting Schedules: C-23b, C-23d, C-23h

Recap Schedules:

* Amount in the Realized column in Recapure.

Southern Bell

J. E. McIntyre
Vice President and Comptroller

Hurt Building, P.O. Box 2211
Atlanta, Georgia 30301
Phone (404) 529-7703

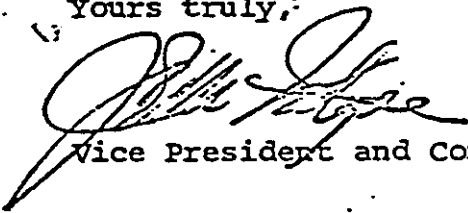
March 3, 1972

Mr. D. I. Lamont
Assistant Comptroller
American Telephone and Telegraph Company
195 Broadway
New York, New York 10007

Dear Mr. Lamont:

Southern Bell Telephone and Telegraph Company hereby elects to be governed by the provisions of Section 46(E)(2) of the 1954 Internal Revenue Code and appoints American Telephone and Telegraph Company to make such election on its behalf pursuant to S1.1502-77(A) of the consolidated return income tax regulations.

Yours truly,


Vice President and Comptroller

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920620-TL
Test Year 1993

Investment Tax Credit - Analysis
Company Policies

Schedule B-14a
Page 3 of 3
Witness Responsible W. S. Reid

Check Whether Data is:
Historic () or Projected (X)
Average () or Year End (X)

Explanation: Explain accounting policy as to method of amortization for both progress payments and other ITC.
Explanation should include at least a description of how the time period for amortization is determined, when it begins, under what circumstances it changes, etc.

BellSouth Telecommunications amortizes investment tax credit ratably over the useful life of the related plant. Amortization begins when the related plant is placed into service. The amortization rates change in conjunction with represcription of the Company's book lives. BellSouth Telecommunications has never claimed ITC on progress payments.

Supporting Schedules: C-23b, C-23d, C-23h

Recap Schedules:

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

27. Schedule B-14b-- An annual analysis of balances for each of the deferred Federal and State Income Tax accounts (accumulated deferred income taxes - accelerated tax depreciation, accumulated deferred income taxes - other) beginning with the final balance in the last rate case and ending with the beginning balance of the test year. Also, provide a monthly analysis of balances for the the test year. Where a partially or wholly projected test year is used, provide information for the projected period in a manner consistent with the Internal Revenue Code and regulations for calculating the amount to be used in ratemaking. Also, provide the description and amount of all book-tax differences accounted for as permanent differences. This would include any items accounted for on a flow through basis. Also, provide 12-month average amounts on both total company and jurisdictional bases.

ACCUMULATED DEFERRED
INCOME TAXES
FEDERAL

FLORIDA PUBLIC SERVICE COMMISSION
Company: Southern Bell Telephone & Telegraph - Florida
Docket No. 920620-TL
Test Year 1993

Schedule B-14b
Page 1 of 4
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic (or Projected) (x)
Average (x) or Year End (x)

Line No.	Year/Month	Accumulated Deferred Inc. Taxes - Property Related					Accumulated Deferred Inc. Taxes - Other				
		Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance
	1/1/88	979,271,143	96,477,645	91,790,063	(189,066)	984,147,791	14,439,405	(29,417,247)	(20,489,587)	(135,017)	5,646,762
	ASI TRANSFER				(427,817)	984,575,608					
	1/1/89	984,575,608	104,169,338	117,463,974	(367,227)	971,648,199	5,646,762	2,166,951	(1,094,281)	1,454,574	7,453,420
	1/1/90	971,648,199	76,912,684	104,671,958	6,674,059	937,214,866	7,453,420	(36,285,927)	(7,021,769)	(177,489)	(21,633,249)
	1/1/91	937,214,866	44,491,476	81,623,472	11,215,813	888,867,057	(21,633,249)	(29,942,157)	(23,919,374)	15,323,072	(42,979,104)
	TRANSFERS				(1,966,841)	890,833,898				1,347,741	(44,326,845)
	1/1/92	890,833,898	68,701,000	87,334,000	(3,176,754)	875,377,652	(44,326,845)	(1,265,400)	(5,792,768)	7,852,652	(47,652,129)
	1/1/93	875,377,652				875,377,652	(47,652,129)				(47,652,129)
	Jan	875,377,652	6,826,000	5,972,000	0	876,231,652	(47,652,129)	(2,214,000)	768,000	0	(50,634,129)
	Feb	876,231,652	6,708,000	6,194,000	0	876,745,652	(50,634,129)	(2,214,000)	401,000	0	(53,249,129)
	Mar	876,745,652	6,723,000	6,168,000	0	877,300,652	(53,249,129)	(2,110,000)	567,000	0	(55,926,129)
	Apr	877,300,652	6,720,000	6,172,000	0	877,848,652	(55,926,129)	(2,214,000)	456,000	0	(58,596,129)
	May	877,848,652	6,719,000	6,176,000	0	878,391,652	(58,596,129)	(2,214,000)	457,000	0	(61,267,129)
	Jun	878,391,652	6,748,000	6,120,000	0	879,019,652	(61,267,129)	(2,110,000)	457,000	0	(63,834,129)
	Jul	879,019,652	6,690,000	6,230,000	0	879,479,652	(63,834,129)	(2,214,000)	457,000	0	(66,505,129)
	Aug	879,479,652	6,744,000	6,126,000	0	880,097,652	(66,505,129)	(2,214,000)	457,000	0	(69,176,129)
	Sep	880,097,652	6,742,000	6,132,000	0	880,707,652	(69,176,129)	(2,110,000)	457,000	0	(71,743,129)
	Oct	880,707,652	6,795,000	6,029,000	0	881,473,652	(71,743,129)	(2,214,000)	457,000	0	(74,414,129)
	Nov	881,473,652	6,805,000	6,010,000	0	882,268,652	(74,414,129)	(3,000,000)	457,000	0	(77,871,129)
	• Dec	882,268,652	1,610,000	6,030,000	0	877,848,652	(77,871,129)	(2,107,000)	464,000	0	(80,442,129)
	Subtotals	979,271,143	466,582,143	556,242,467	11,762,167	877,848,652	14,439,405	(121,678,780)	(52,462,779)	25,665,533	(80,442,129)
	Company 12 Month Average for:										
	Test Year	879,102,121	9,114,625	9,500,917	(132,365)	878,848,194	(61,174,701)	(2,209,517)	227,218	327,194	(63,938,629)
	Prior Year					881,930,005					(44,146,531)
	Separations Factor	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%
	Intrastate deferred tax	679,776,156	7,047,992	7,346,697	(102,353)	679,579,804	(47,304,064)	(1,708,535)	175,699	253,007	(49,441,304)
	Interstate deferred tax	199,325,965	2,066,633	2,154,220	(30,012)	199,268,390	(13,870,637)	(500,982)	1,519	74,187	(14,497,325)

* INCLUDES WECO ADJUSTMENT

Supporting Schedules:

Recap Schedules:

**ACCUMULATED DEFERRED
INCOME TAXES
STATE**

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph - Florida
Docket No. 920620-TL
Test Year 1993

Schedule B-14b
Page 2 of 4
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic (or Projected (x)
Average (x) or Year End (x)

Line No.	Year/Month	Accumulated Deferred Inc. Taxes - Property Related					Accumulated Deferred Inc. Taxes - Other				
		Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance
	1/1/88	85,929,563	10,369,602	11,954,919	40,503	84,303,743	2,676,279	(4,256,285)	(1,176,715)	524,097	(927,388)
	1/1/89	84,303,743	16,320,466	12,143,306	116	88,480,787	(927,388)	(61,514)	(1,499,226)	(30,177)	540,501
	1/1/90	88,480,787	12,913,772	3,776,406	1,592,793	96,025,360	540,501	(6,340,422)	33,642	(47,694)	(5,785,869)
	1/1/91	96,025,360	7,624,660	7,504,900	2,277,501	93,867,619	(5,785,869)	(5,078,136)	(3,311,448)	(18,522)	(7,534,035)
	TRANSFERS				(288,331)	94,155,950				244,565	(7,778,600)
	1/1/92	94,155,950	9,912,000	2,437,000	215,863	101,415,087	(7,778,600)	(4,299,867)	(2,102,362)	837,764	(10,813,869)
	1/1/93	101,415,087				101,415,087	(10,813,869)				(10,813,869)
	Jan	101,415,087	987,000	240,000	0	102,162,087	(10,813,869)	(324,000)	(27,000)	0	(11,110,869)
	Feb	102,162,087	982,000	247,000	0	102,897,087	(11,110,869)	(324,000)	(27,000)	0	(11,407,869)
	Mar	102,897,087	982,000	246,000	0	103,633,087	(11,407,869)	(324,000)	(70,000)	0	(11,661,869)
	Apr	103,633,087	982,000	246,000	0	104,369,087	(11,661,869)	(324,000)	(41,000)	0	(11,944,869)
	May	104,369,087	982,000	245,000	0	105,106,087	(11,944,869)	(324,000)	(41,000)	0	(12,227,869)
	Jun	105,106,087	984,000	244,000	0	105,846,087	(12,227,869)	(324,000)	(41,000)	0	(12,510,869)
	Jul	105,846,087	1,210,000	(49,000)	0	107,105,087	(12,510,869)	(324,000)	(41,000)	0	(12,793,869)
	Aug	107,105,087	1,016,000	204,000	0	107,917,087	(12,793,869)	(324,000)	(41,000)	0	(13,076,869)
	Sep	107,917,087	1,015,000	205,000	0	108,727,087	(13,076,869)	(324,000)	(40,000)	0	(13,360,869)
	Oct	108,727,087	1,017,000	202,000	0	109,542,087	(13,360,869)	(324,000)	(40,000)	0	(13,644,869)
	Nov	109,542,087	1,032,000	182,000	0	110,392,087	(13,644,869)	(458,000)	(40,000)	0	(14,062,869)
	• Dec	110,392,087	136,000	310,000	0	110,218,087	(14,062,869)	(320,000)	(44,000)	0	(14,338,869)
	Subtotals	85,929,563	68,465,500	40,338,531	3,838,445	110,218,087	2,676,279	(24,054,224)	(8,549,109)	1,510,033	(14,338,869)
	Company 12 Month Average for:										
	Test Year	105,082,831	1,351,083	298,792	8,994	106,126,129	(12,122,941)	(500,661)	(126,848)	34,907	(12,531,661)
	Prior Year					97,470,413					(9,236,579)
	Separations Factor	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%
	Intrastate deferred tax	81,256,547	1,044,741	231,044	6,955	82,063,290	(9,374,208)	(387,142)	(98,087)	26,992	(9,690,256)
	Interstate deferred tax	23,826,284	306,342	67,748	2,039	24,062,839	(2,748,733)	(113,519)	(28,761)	7,915	(2,841,405)

• INCLUDES WECO ADJUSTMENT

Supporting Schedules:

Recap Schedules:

**ACCUMULATED DEFERRED
INCOME TAXES
TOTAL**

FLORIDA PUBLIC SERVICE COMMISSION
Company: Southern Bell Telephone & Telegraph - Florida
Docket No. 920620-TL
Test Year 1993

Schedule B-14b
Page 3 of 4
Witness Responsible: W. S. Reid

Check Whether Data Is:
Historic (or Projected (x)
Average (x) or Year End (x)

Line No.	Year/Month	Accumulated Deferred Inc. Taxes - Property Related					Accumulated Deferred Inc. Taxes - Other				
		Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance
1/1/88		1,065,200,706	106,847,247	103,744,982	(148,563)	1,068,451,534	17,115,684	(33,673,532)	(21,666,302)	389,080	4,719,374
ASI TRANSFER		0	0	0	(427,817)	1,068,879,351	0	0	0	0	4,719,374
1/1/89		1,068,879,351	120,489,804	129,607,280	(367,111)	1,060,128,986	4,719,374	2,105,437	(2,593,507)	1,424,397	7,993,921
1/1/90		1,060,128,986	89,826,456	108,448,364	8,266,852	1,033,240,226	7,993,921	(42,626,349)	(6,988,127)	(225,183)	(27,419,118)
1/1/91		1,033,240,226	52,116,136	89,128,372	13,493,314	982,734,676	(27,419,118)	(35,020,293)	(27,230,822)	15,304,550	(50,513,139)
TRANSFERS		0	0	0	(2,255,172)	984,989,848	0	0	0	1,592,306	(52,105,445)
1/1/92		984,989,848	78,613,000	89,771,000	(2,960,891)	976,792,739	(52,105,445)	(5,565,267)	(7,895,130)	8,690,416	(58,465,998)
1/1/93		976,792,739				976,792,739	(58,465,998)	0	0	0	(58,465,998)
Jan		976,792,739	7,813,000	6,212,000	0	978,393,739	(58,465,998)	(2,538,000)	741,000	0	(61,744,998)
Feb		978,393,739	7,690,000	6,441,000	0	979,642,739	(61,744,998)	(2,538,000)	374,000	0	(64,656,998)
Mar		979,642,739	7,705,000	6,414,000	0	980,933,739	(64,656,998)	(2,434,000)	497,000	0	(67,587,998)
Apr		980,933,739	7,702,000	6,418,000	0	982,217,739	(67,587,998)	(2,538,000)	415,000	0	(70,540,998)
May		982,217,739	7,701,000	6,421,000	0	983,497,739	(70,540,998)	(2,538,000)	416,000	0	(73,494,998)
Jun		983,497,739	7,732,000	6,364,000	0	984,865,739	(73,494,998)	(2,434,000)	416,000	0	(76,344,998)
Jul		984,865,739	7,900,000	6,181,000	0	986,584,739	(76,344,998)	(2,538,000)	416,000	0	(79,298,998)
Aug		986,584,739	7,760,000	6,330,000	0	988,014,739	(79,298,998)	(2,538,000)	416,000	0	(82,252,998)
Sep		988,014,739	7,757,000	6,337,000	0	989,434,739	(82,252,998)	(2,434,000)	417,000	0	(85,103,998)
Oct		989,434,739	7,812,000	6,231,000	0	991,015,739	(85,103,998)	(2,538,000)	417,000	0	(88,058,998)
Nov		991,015,739	7,837,000	6,192,000	0	992,660,739	(88,058,998)	(3,458,000)	417,000	0	(91,933,998)
* Dec		992,660,739	1,746,000	6,340,000	0	988,066,739	(91,933,998)	(2,427,000)	420,000	0	(94,780,998)
Subtotals		1,065,200,706	535,047,643	596,580,998	15,600,612	988,066,739	17,115,684	(145,733,004)	(61,011,888)	27,175,566	(94,780,998)
Company 12 Month Average for:											
Test Year		984,184,952	10,465,708	9,799,708	(123,370)	984,974,322	(73,297,642)	(2,710,178)	100,370	362,101	(76,470,290)
Prior Year						979,400,418					(53,383,110)
Separations Factor		77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%	77.3262%
Intrastate deferred tax		761,032,704	8,092,733	7,577,741	(95,397)	761,643,093	(56,678,272)	(2,095,677)	77,612	279,999	(59,131,560)
Interstate deferred tax		223,152,248	2,372,975	2,221,967	(27,973)	223,331,229	(16,619,370)	(614,501)	22,758	82,102	(17,338,730)

* INCLUDES WECO ADJUSTMENT

Supporting Schedules:

Recap Schedules:

BOOK/TAX DIFFERENCES - PERMANENT

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell Telephone & Telegraph Co.
 Docket No. 920260-TL
 Test Year 1993

Schedule B-14b
 Page 4 of 4
 Witness Responsible W.S. Reid

Check Whether Data Is:
 Historic () or Projected (X)
 Average () or Year End (X)

 Provide the description and amount of all book/Tax differences accounted for as permanent differences. This would include any items accounted for on a flow-through basis.

Florida	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
20% Meals Disallowance	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	52,000	646,000
Insur Contr - Premium Exp	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,400,000
Insur Contr - Cash Sur Val	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(88,000)	(1,078,000)
Superfund Tax	(87,000)	(88,000)	(87,000)	(88,000)	(87,000)	(88,000)	(87,000)	(88,000)	(87,000)	(88,000)	(87,000)	(88,000)	(1,050,000)
AFUDC	(77,000)	(77,000)	(77,000)	(77,000)	(77,000)	(77,000)	(77,000)	(77,000)	(77,000)	(77,000)	(77,000)	(82,000)	(929,000)
Nontaxable Lease Gain	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond Reorganization	0	0	0	0	0	0	0	0	0	0	0	0	0
CSV - Split Dollar Life	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(44,000)	(539,000)
Premium Exp - Split Dollar	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance Death Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
FCC Grant Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Disallowed Deprec - IDC	314,108	314,108	314,108	314,108	314,108	314,108	314,108	314,108	314,108	314,108	314,108	314,108	3,769,296
Disall Depr - Relief & Pens	839,453	839,453	839,453	839,453	839,453	839,453	839,453	839,453	839,453	839,453	839,453	842,453	10,076,436
Disall Depr - Soc Sec Cap	240,086	240,086	240,086	240,086	240,086	240,086	240,086	240,086	240,086	240,086	240,086	240,086	2,881,032
Disall Depr - Sales/Use Tx	93,225	93,225	93,225	93,225	93,225	93,225	93,225	93,225	93,225	93,225	93,225	93,225	1,118,700
Disall Depr - WECO	369,543	369,543	369,543	369,543	369,543	369,543	369,543	369,543	369,543	369,543	369,543	369,543	4,434,516
Disall Depr - Sect 266	(20,089)	(20,089)	(20,089)	(20,089)	(20,089)	(20,089)	(20,089)	(20,089)	(20,089)	(20,089)	(20,089)	(20,089)	(241,068)
Disall Depr - ITC Basis Adj	127,674	127,674	127,674	127,674	127,674	127,674	127,674	127,674	127,674	127,674	127,674	127,674	1,532,088
Total	1,919,000	1,918,000	1,919,000	1,918,000	1,919,000	1,918,000	1,919,000	1,918,000	1,919,000	1,918,000	1,919,000	1,917,000	23,021,000

DOCKET NO. 920260-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY - FLORIDA

28. Schedule B-15-- A 5-year analysis for the most recent calendar year and preceding four (4) years showing purchases from manufacturing and/or supplies affiliate(s) and identifying:
- a. Total amount of affiliated net investment system-wide
 - b. Total amount of affiliated net operating income system-wide
 - c. System-wide rate of return
 - d. The FPSC authorized rate of return (midpoint) on intrastate investment
 - e. Excess over FPSC maximum rate of return
 - f. Net operating income adjustment
 - g. Expansion factor
 - h. Revenue requirement
 - i. Total manufacturing sales system-wide
 - j. Total Florida purchases
 - k. Ratio of Florida purchases to total system sales
 - l. Ratio of Florida purchases capitalized
 - m. Purchases not depreciated
 - n. Composite intrastate factor
 - o. Sales adjustment

Check Whether Data Is:
 Historic [] or Projected [X]
 Average [X] or Year End []

Line No.	Description	YEARS				
		1989	1990	1991	1992 (D)	1993(D)
1	Affiliated Net Investment System Wide	262,321,000	252,686,000	199,765,000	N/A	N/A
2	Affiliated Net Operating Income System Wide	40,405,000	18,163,000 *	22,127,000	N/A	N/A
3	Return System Wide (L2/L1)	15.40%	7.19%	11.08%	0.00%	0.00%
4	FPSC Rate of Return Allowed (Note A)	11.85%	11.94%	11.86%	0.00%	0.00%
5	Excess Over FPSC Rate of Return (L3 – L4)	3.55%	–4.75%	–0.78%	0.00%	0.00%
6	Net Operating Income Adjustment (L5*L1) (Note B)	N/A	N/A	N/A	N/A	N/A
7	Revenue Expansion Factor	0.6079840	0.6081358	0.6050840	0.0000000	0.0000000
8	Revenue Requirements (L6/L7) (Note B)	0	0	0	0	0
9	Material & Supplies Sales Southern Bell	440,473,109	445,928,099	411,973,042	N/A	N/A
10	Total Material & Supplies Sales System Wide (Note C)	789,586,436	799,364,981	738,497,582	N/A	N/A
11	Total Florida Purchases	176,984,502	173,574,293	164,133,493	N/A	N/A
12	Ratio Florida Purchases to Total Sales (L10/L9)	22.41%	21.71%	22.23%	0.00%	0.00%
13	Ratio of Florida Purchases Capitalized	65.98%	68.13%	69.12%	0.00%	0.00%
14	Capitalized Purchases Not Yet Depreciated	77.8000%	85.0000%	93.8000%	0.0000%	0.0000%
15	Composite Intrastate Factor	70.3572%	71.6226%	73.0518%	0.0000%	0.0000%
16	Sales Adjustment (L8*12*13*14*15) (Note B)	0	0	0	0	0

A) The allowed rate of return has been recalculated to make it comparable to the system-wide methodology used for the return shown on line 3. The recalculated return is an overall return at 14% with zero-cost items treated as rate base reductions.

B) All BellSouth Services intrastate income has been reflected above the line in regulation. Therefore, no adjustment is necessary.

C) 1991 actual; earlier years estimated based on 1991.

D) BellSouth Services, Inc. was merged into Southern Bell Telephone and Telegraph Company on January 1, 1992. Therefore the information on this schedule is not applicable to 1992 or 1993.

* 1990 Net Operating Income has been revised to reflect the reduction in earnings from a 1990 credit adjustment for interstate earnings in excess of the authorized rate. The previously provided NOI was adjusted based on interstate revenue requirement reductions.