



EMBARQ™

Embarq Corporation
Mailstop: FLTLH00102
1313 Blair Stone Rd.
Tallahassee, FL 32301
EMBARQ.com

CONFIDENTIAL DOCUMENTS ATTACHED

September 25, 2006

Ms. Blanca Bayó, Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RECEIVED-FPSC
06 SEP 25 PM 4:31
COMMISSION
CLERK

060644-TL

Re: Docket No. _____, Embarq Florida, Inc.'s Petition to recover 2005 tropical system related costs and expenses.

Dear Ms. Bayó:

Enclosed for filing on behalf of Embarq Florida, Inc. are the original confidential documents referred to in Embarq's Request for Confidential Classification, which was filed on this date with the Commission Clerk and Administrative Services. A listing of the documents follows:

- Exhibit KWD-2
- Exhibit KWD-3

Please keep the documents confidential pending action on Embarq's Request for Confidential Classifications relating to these documents.

Please acknowledge receipt of this filing by stamping and initialing a copy of this letter and returning same to the courier. If you have any questions, please do not hesitate to call me at 850/599-1560.

Sincerely,

CONFIDENTIAL

Susan S. Masterton
Susan S. Masterton

DECLASSIFIED
8-6-08

This confidentiality request was filed by or for a "telco" for DNO 8857-06. No ruling is required unless the material is subject to a request per 119.07, FS, or is admitted in the record per Rule 25-22.006(8)(b), FAC.

Enclosure

RECEIVED & FILED
OH
FPSC-BUREAU OF RECORDS

Susan S. Masterton
COUNSEL
LAW AND EXTERNAL AFFAIRS- REGULATORY
Voice: (850) 599-1560
Fax: (850) 878-0772

08857 SEP 25 06

FPSC-COMMISSION CLERK

Affidavit of Kent W. Dickerson
Exhibit No. KWD - 2
Storm Costs & Extraordinary Recovery
Page 1 of 1

A	B	C	D	E
Row	Description	Calculation	Cost	Extraordinary Cost
8				
9	Hurricane related cost:			
10	Wages & Benefits		\$ 32,250,961	
11	External Contractors Expense & Capital		17,287,467	
12	Extraordinary Asset Restoral Costs		2,607,274	
13	Material Capital & Expense		2,910,263	
14	Overheads Expense & Capital		2,880,790	
15	Buildings, Generators, Fuel, Line Card Repair & Return		2,003,986	
16	Total Hurricane related cost	(Sum Rows 10 to 15)	\$ 59,940,742	
17	Exclusions:			
18	Wages associated w/ regular time and budget OT		\$ 28,347,670	
19	Contractor Expense Budget & Capitalized Contractor Costs		8,508,685	
20	Capitalized Material Cost		1,584,276	
21	Overheads Expense & Capital		2,880,790	
22	Buildings, Generators, Fuel, Line Card Repair & Return Budget		747,000	
23	Average Annual Storm Expense		598,240	
24	Total Exclusions	(Sum Rows 18 to 23)	\$ 42,666,661	
25				
26	Extraordinary Cost	(Row 16 - Row 24)		\$ 17,274,081
27	Carrying Cost Before Recovery			2,680,581
28	Subtotal	(Row 26 + Row 27)		\$ 19,954,663
29	Intrastate Factor			0.74429553
30	Intrastate Subtotal	(Row 28 * Row 29)		\$ 14,852,166
31	Interest During Recovery Period		5.23%	417,838
32	Intrastate Cost (before uncollectible and FL reg. assessment fee)	(Row 30 + Row 31)		\$ 15,270,004
33	Uncollectible	(Row 35 * 1.081%)	1.081%	167,211
34	Florida Regulatory Assessment Fee	(Row 35 * 0.2%)	0.20%	30,936
35	Total Intrastate Extraordinary Cost	(Sum Rows 32 to 34)		\$ 15,468,151
36	Average Total Access Lines and UNE Loops			1,744,841.7
37	Per Month Recovery Rate Per Line	((Row 35 / Row 36) / 12)		\$ 0.74
38				
39	<u>Recovery limited to \$0.50 per line for 12 months per 364.051(4)(b) 5, Florida Statutes:</u>			
40	Capped Recovery Rate Per Month Per Line	Per 364.051(4)(b) 5		\$ 0.50
41	Intrastate Billed Amount	(Row 36 * Row 40 * 12)		\$ 10,469,050
42	Less: Uncollectible	(Row 41 * 1.081%)		113,170
43	Less: Florida Regulatory Assessment Fee	(Row 41 * 0.2%)		20,938
44	Intrastate Net Recovery	(Row 41 - Row 42 - Row 43)		\$ 10,334,942
45	Unrecovered Intrastate Extraordinary Balance	(Row 32 - Row 44)		\$ 4,935,063

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DOCUMENT NUMBER - DATE
08857 SEP 25 98
FPSC-COMMISSION CLERK

Affidavit of Kent W. Dickerson
 Exhibit No. KWD - 3
 Summary Extraordinary Storm Costs & Recovery
 Page 1 of 1

A	B	C	D	E
Row	Description	Calculation		Extraordinary Cost
8				
9	Extraordinary Hurricane Related Cost			
10	District Storm Extraordinary Company Labor & Benefits			\$ 3,903,291
11				
12	Extraordinary Contractor Expense over Budget			8,778,783
13				
14	Asset Restoral Extraordinary Cost			2,607,274
15				
16	Extraordinary Material Expense			1,325,987
17				
18	Extraord. Buildings, Generators, Fuel, Line Card Repair & Return			1,256,986
19				
20	Average Annual Storm Expense			(598,240)
21				
22	Extraordinary Cost	(Sum Rows 10 to 20)		\$ 17,274,081
23	Carrying Cost Before Recovery			\$ 2,680,581
24	Subtotal	(Row 22 + Row 23)		\$ 19,954,663
25	Intrastate Factor			0.74429553
26	Intrastate Subtotal	(Row 24 * Row 25)		\$ 14,852,166
27	Interest During Recovery Period		5.23%	417,838
28	Intrastate Cost (before uncollectible and FL reg. assessment fee)	(Row 26 + Row 27)		\$ 15,270,004
29	Uncollectible	(Row 31 * 1.081%)	1.081%	167,211
30	Florida Reg. Fee	(Row 31 * 0.2%)	0.20%	30,936
31	Total Intrastate Extraordinary Cost	(Sum Rows 28 to 30)		\$ 15,468,151
32	Average Total Access Lines and UNE Loops			1,744,841.7
33	Per Month Recovery Rate Per Line	((Row 31 / Row 32) / 12)		\$ 0.74
34				
35	<u>Recovery limited to \$0.50 per line for 12 months per 364.051(4)(b) 5, Florida Statutes:</u>			
36	Capped Recovery Rate Per Month Per Line	Per 364.051(4)(b) 5		\$ 0.50
37	Intrastate Billed Amount	(Row 32 * Row 36 * 12)		\$ 10,469,050
38	Less: Uncollectible	(Row 37 * 1.081%)		113,170
39	Less: Florida Regulatory Assessment Fee	(Row 37 * 0.2%)		20,938
40	Intrastate Net Recovery	(Row 37 - Row 38 - Row 39)		\$ 10,334,942
41	Unrecovered Intrastate Extraordinary Balance	(Row 28 - Row 40)		\$ 4,935,063

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