



**NORTHEAST
FLORIDA
TELEPHONE
COMPANY, INC.**

130 North 4th Street P.O. Box 485
Macclenny, FL 32063-0485
904-259-2261

FILE COPY

March 27, 1997

Ms. Blanca S. Bayo
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

970271-TL

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MAIL ROOM

Dear Ms. Bayo:

During the March 18, 1997 Agenda Conference, the Florida Public Service Commission (the "Commission") ordered that specific information be filed by all Local Exchange Carriers (LECs) no later than March 31, 1997 to comply with the provisions of Section 276 of the Telecommunications Act of 1996 and FCC Orders 96-388 and 96-439. The information requested was as follows:

- (1) As of December 31, 1995, the amount of payphone investment and any other assets used in provision of payphone service along with the accumulated depreciation and deferred income tax liabilities.
- (2) 1995 payphone services revenues by account or source, with supporting documentation.
- (3) 1995 payphone services expenses by account or source, with supporting documentation.
- (4) Amount of any subsidy of payphone services.

- (5) A copy of the CCL rate revision filings and accompanying subsidy calculation data submitted
- (6) A copy of the cost study or support for all services currently being provided to payphone providers.

Pursuant to the Commission's mandate in this regard, our response to each item is indicated below:

- (1) The amount of payphone investment and the associated accumulated depreciation as of December 31, 1995 are reflected on attached Schedule B-3 from our 1995 Annual Report. The amount of deferred income taxes associated with our payphone investment as of this same date is shown on Schedule (F) from our 1995 interstate cost study workpapers. Deferred income taxes are not reflected by investment account on the Annual Report.

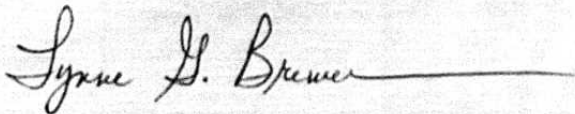
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03526 APR-45
FPSC-RECORDS/REPORTING

- (2) The amount of 1995 payphone services revenues are reflected in Account 5010 on attached Schedule I-1 from our 1995 Annual Report.
- (3) The amount of 1995 payphone services expenses are shown in Account 6351 on attached Schedule I-1 from our 1995 Annual Report.
- (4) No intrastate subsidy of payphone services exists, to our knowledge, in our current rates.
- (5) Since our company participates in the NECA Interstate CCL pool, a copy of the CCL rate revision filings and accompanying subsidy calculation data submitted to the FCC in Docket Number 96-128 must be obtained by the Commission from the National Exchange Carrier Association (NECA).
- (6) There is no cost study or support information available for the services that we are currently providing to payphone providers.

Please do not hesitate to call me if you have any questions or require further payphone information from our company. I can be reached by telephone at (904)259-2261, Extension 107 or by Fax at (904)259-7722.

Yours truly,



Lynne G. Brewer
Director - Revenue Requirements and Regulatory Affairs

Attachments

Annual Status Report
Analysis of Plant in Service Accounts
Schedule B-3

Company: NORTHEAST FLORIDA TELEPHONE CO. INC.
For the Year Ended December 31, 1995

Page 1 of 3

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
2111	Land		\$111,307	0	0	0	0	0	\$111,307
Amortizable General Support Assets:									
2116	Other Work Equipment	7 yrs	40,838	4,905	11,263	0	0	0	34,480
2122	Furniture	10 yrs	36,295	3,975	0	0	0	0	40,270
2123	Office Support Equipment	7 yrs	46,919	795	10,150	0	0	0	37,564
2123	Company Communications	5 yrs	27,098	63,766	24,319	0	0	0	66,545
2124	General Purpose Computer	5 yrs	408,979	39,997	321,003	0	0	0	127,973
Total amortizable Gen. Sup. Assets			\$560,129	\$113,438	\$366,735	\$0	\$0	\$0	\$306,832
Depreciable Assets: This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.									
2112	VEHICLES								
	Passenger Cars	8.70%	87,478	0	0	0	0	0	87,478
	Light Trucks	8.10%	156,387	19,858	14,863	0	0	0	161,382
	Heavy Trucks	5.30%	106,307	0	0	0	0	0	106,307
	Tractor & Trailers	7.40%	150,765	0	0	0	0	0	150,765
	Total Vehicles		\$500,937	\$19,858	\$14,863	\$0	\$0	\$0	\$505,932
2121	BUILDINGS								
	Central Office	2.30%	852,172	1,075	0	0	0	0	853,247
	Plant	2.90%	224,221	34,568	0	0	0	0	258,789
	Total Buildings		\$1,076,393	\$35,643	\$0	\$0	\$0	\$0	\$1,112,036
CENTRAL OFFICE EQUIPMENT									
2212	Digital - Switching	5.80%	3,026,653	45,246	0	0	0	559	3,072,458
2232	Circuit	7.20%	1,242,645	30,295	98,426	0	0	(1,297)	1,173,218
2232	Circuit - Optics	12.10%	145,192	87,638	0	0	0	0	232,830
	Total COE		\$4,414,490	\$163,179	\$98,426	\$0	\$0	(\$738)	\$4,478,506
IOT EQUIPMENT									
2351	Public Tel. Terminal Equipment	10.10%	57,982	1,591	0	0	0	0	59,573
2362	Other Terminal Equipment	14.40%	1,776	0	0	0	0	0	1,776
	Total IOT		\$59,758	\$1,591	\$0	\$0	\$0	\$0	\$61,349

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FPSC-RECORDS/REPORTING

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DOCUMENT NUMBER-DATE

Annual Status Report
Analysis of Entries in Accumulated Depreciation & Amortization
Schedule B-4

Company: Northeast Florida Telephone Co. Inc.
For the Year Ended December 31, 1995

Page 1 of 3

Acct. No.	Account Description	Beginning Balance*	Accruals**	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
Amortizable General Support Assets:										
3116	Other Work Equipment	\$24,051	\$6,531	\$0	\$11,263	\$0	\$0			\$19,319
3122	Furniture	\$27,444	2,898	0	0	0	0			\$30,342
3123	Office Support Equipment	\$28,699	6,584	0	10,150	0	0			\$25,133
3123	Company Communications	\$20,800	18,175	0	24,319	0	0			\$14,656
3124	General Purpose Computer	\$289,041	87,648	0	321,003	868	0			\$56,554
		\$390,035	\$121,836	\$0	\$366,735	\$868	\$0	\$0	\$0	\$146,004
This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.										
3112 VEHICLES										
	Passenger Cars	\$36,600	6,386	0	0	0	0			\$42,986
	Light Trucks	\$73,664	10,334	0	14,863	1,185	0			\$70,320
	Heavy Trucks	(\$731)	6,378	0	0	0	0		3,920	\$9,567
	Tractor & Trailers	\$80,619	7,991	0	0	0	0		(3,920)	\$84,690
	Total Vehicles	\$190,152	\$31,089	\$0	\$14,863	\$1,185	\$0	\$0	\$0	\$207,563
3121 BUILDINGS										
	Central Office	\$240,597	18,756	0	0	0	0		0	\$259,353
	Plant	\$43,448	6,561	0	0	0	0			\$50,009
	Total Buildings	\$284,045	\$25,317	\$0	\$0	\$0	\$0	\$0	\$0	\$309,362
CENTRAL OFFICE EQUIPMENT										
3212	Digital - Switching	\$1,319,257	173,447	0	0	0	0			\$1,492,704
3232	Circuit	\$450,239	130,357	0	98,426	1,743	1,327			\$482,587
3232	Circuit - Optics	\$37,591	14,940	0	0	0	0			\$52,531
	Total COE	\$1,807,087	\$318,745	\$0	\$98,426	\$1,743	\$1,327	\$0	\$0	\$2,027,822
IOT EQUIPMENT										
3351	Public Tel. Terminal Equipment	\$41,207	3,001	0	0		0			\$44,208
3362	Other Terminal Equipment	\$21	237	0	0		0			\$258
	Total IOT	\$41,228	\$3,238	\$0	\$0	\$0	\$0	\$0	\$0	\$44,466

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Net Deferred Operating Income Taxes (Accts 4100 & 4340)

Schedule B-8

Company: Northeast Florida Telephone Co. Inc.

For the Year Ended December 31, 1995

Particulars	Acct. No.	Beginning Balance	Current Year Accrual	Current Year Amort.	Adjust Dr/Cr	Ending Balance
		\$	\$	\$	\$	\$
Property Related:						
Net Current Op Inc Taxes(Acct 4100)						
Provision for Def Op Inc Taxes-Net						
Federal Income Taxes	4100	125,107	82,240	-	(125,107)	82,240
State and Local Income Taxes	4100	21,416	14,078	-	(21,416)	14,078
Total Net Current Op Inc Taxes		\$146,523	\$96,318	\$0	(\$146,523)	\$96,318
Net Noncurr Op Inc Taxes(Acct 4340)						
Provision for Def Op Inc Taxes-Net						
Federal Income Taxes	4340	273,000	-	-	125,107	398,107
State and Local Income Taxes	4340	46,733	-	-	21,416	68,149
Total Net Noncurr Op IT		\$319,733	\$0	\$0	\$146,523	\$466,256
Total Property Related Def Op Inc Taxes		\$466,256	\$96,318	\$0	\$0	\$562,574
Nonproperty Related:						
Net Curr Operating Inc Taxes(Acct 4100)						
Provision for Def Op Inc Taxes-Net						
Federal Income Taxes						
State and Local Income Taxes						
Total Net Current Op Inc Taxes		\$0	\$0	\$0	\$0	\$0
Net Noncurr Op Inc Taxes(Acct 4340)						
Provision for Def Op Inc Taxes-Net						
Federal Income Taxes						
State and Local Income Taxes						
Total Net Noncurr Op Inc Taxes		\$0	\$0	\$0	\$0	\$0
Total Nonproperty Related Def Op Inc Taxes		\$0	\$0	\$0	\$0	\$0

NORTH EAST FLORIDA TELEPHONE CO. INC.

ANALYSIS OF A/C 4140 & 4340

SCHEDULE (F)

Deferred Income Taxes

1995 COST STUDY

A/C 41002-3 **NET CURRENT**

	GENERAL					TOTAL
	SUPPORT	SWITCHING	CIRCUIT	IOT	CABLE & WIRE	
DEC 94	3,674	105,593	1,995	317	34,944	\$146,523
JAN 95	3,674	105,593	1,995	317	34,944	146,523
FEB	3,674	105,593	1,995	317	34,944	146,523
MAR	3,674	105,593	1,995	317	34,944	146,523
APR	3,674	105,593	1,995	317	34,944	146,523
MAY	3,674	105,593	1,995	317	34,944	146,523
JUN	3,674	105,593	1,995	317	34,944	146,523
JUL	3,674	105,593	1,995	317	34,944	146,523
AUG	3,674	105,593	1,995	317	34,944	146,523
SEP	3,674	105,593	1,995	317	34,944	146,523
OCT	3,674	105,593	1,995	317	34,944	146,523
NOV	3,674	105,593	1,995	317	34,944	146,523
DEC 95	4,068	61,559	(6,883)	358	37,216	96,318
AVERAGE	\$3,690	\$103,758	\$1,625	\$319	\$35,039	\$144,431

A/C 4340 **NET NONCURRENT**

	GENERAL					TOTAL
	SUPPORT	SWITCHING	CIRCUIT	IOT	CABLE & WIRE	
DEC 94	46,591	196,619	5,582	1,724	69,217	\$319,733
JAN 95	46,591	196,619	5,582	1,724	69,217	319,733
FEB	46,591	196,619	5,582	1,724	69,217	319,733
MAR	46,591	196,619	5,582	1,724	69,217	319,733
APR	46,591	196,619	5,582	1,724	69,217	319,733
MAY	46,591	196,619	5,582	1,724	69,217	319,733
JUN	46,591	196,619	5,582	1,724	69,217	319,733
JUL	46,591	196,619	5,582	1,724	69,217	319,733
AUG	46,591	196,619	5,582	1,724	69,217	319,733
SEP	46,591	196,619	5,582	1,724	69,217	319,733
OCT	46,591	196,619	5,582	1,724	69,217	319,733
NOV	46,591	196,619	5,582	1,724	69,217	319,733
DEC 95	50,265	302,212	7,577	2,041	104,161	466,256
AVERAGE	\$46,744	\$201,018	\$5,665	\$1,737	\$70,673	\$325,838

INCOME STATEMENT
SCHEDULE I-1

Company: *Northeast Florida Telephone Co. Inc.*
For the Year Ended December 31, 1995

Page 1 of 4

Ref. Sch.	Account No.	Accounts	Amounts (\$)		
			Current Year		Total Company
			Total Company	Intrastate	Prior Year
OPERATING REVENUES					
	5001	Basic Area	\$1,922,732	\$1,922,732	\$1,784,042
	5002	Extended Area	-	-	-
	5003	Cellular Mobile	-	-	-
	5004	Other Mobile Service	-	-	-
	5010	Public Telephone	39,002	39,002	26,318
	5040	Local Private Line	6,349	6,349	8,362
	5050	Customer Premises	744	744	653
	5060	Other Local Exchange	224,813	224,813	212,993
	5069	Other Local Ex. Settlements	-	-	-
		<i>Total Local Net. Service</i>	\$2,193,642	\$2,193,642	\$2,032,368
	5081	End User	312,715	-	298,695
	5082	Switched Access	\$2,032,173	-	\$2,241,328
	5083	Special Access	18,586	-	14,687
	5084	State Access	\$785,158	\$785,158	\$859,746
		<i>Total Network Access</i>	\$3,148,632	\$785,158	\$3,414,456
	5100	Long Distance Message	538,077	538,077	662,791
	5111	Long Distance Inward	582	582	1,738
	5112	Long Distance Outward	1,447	1,447	1,100
	5121	Subvoice Grade LD Private Net.	-	-	-
	5122	Voice Program Grade LD	70,256	70,256	30,191
	5123	Audio Program Grade LD	-	-	-
	5124	Video Program Grade LD	-	-	-
	5125	Digital Transmission LD	-	-	-
	5126	LD Private Network Switching	-	-	-
	5128	Other LD Private Network	-	-	-
	5129	Other LD Private Net. Settle.	-	-	-
	5160	Other LD Revenue	2,827	2,827	2,850
	5169	Other LD REvenue Settle.	-	-	-
		<i>Total LD Network</i>	\$613,189	\$613,189	\$698,670
	5230	Directory	179,261	179,261	175,701
	5240	Rent	2,096	2,096	1,500
	5250	Corporate Operations	-	-	-
	5261	Special Billing Arrangement	-	-	-
	5262	Customer Operations	-	-	-
	5263	Plant Operations	-	-	-
	5264	Other Incidental Regulated Rev.	30,985	30,985	28,466
	5269	Other Revenue Settle.	-	-	-
	5270	Interstate Billing & Collection	84,866	-	64,194
		Intrastate Billing & Collection	37,808	37,808	41,109
	5301	Uncollectible Revenue - Tele.	16,997	13,308	5,188
	5302	Uncollectible Revenue - Other	-	-	-
		<i>Total Miscellaneous</i>	\$318,020	\$236,842	\$305,782
		Total Operating Revenues	\$6,273,483	\$3,828,831	\$6,451,276

**INCOME STATEMENT
SCHEDULE I-1**

Company: Northeast Florida Telephone Co. Inc.
For the Year Ended December 31, 1995

Page 2 of 4

Acct. No.	Account	Salaries & Wages	Benefits	Rents	Other Expenses	Current Year Total	Prior Year Total
Plant Specific Exp.							
6112	Motor Vehicle	28	18	0	25,943	25,989	30,362
6113	Aircraft	0	0	0	0	0	0
6114	Vehicle	0	0	0	0	0	0
6115	Garage Work Equip.	0	0	0	0	0	0
6116	Other Work Equip.	0	0	0	0	0	0
	Total Network Support	28	18	0	25,943	25,989	30,362
6121	Land & Building	55,464	16,650	0	101,659	173,773	196,197
6122	Furniture & Artwork	0	0	0	3,613	3,613	1,089
6123	Office Equip.	120	50	0	25,311	25,481	24,591
6124	Gen. Purpose Computer	267	165	0	34,396	34,828	50,637
	Total General Support	55,851	16,865	0	164,978	237,694	272,514
6211	Analog Electronic	0	0	0	0	0	0
6212	Digital Electronic	84,911	33,043	0	40,699	158,653	176,252
6215	Electro-mechanical	0	0	0	0	0	0
	Total CO Switching	84,911	33,043	0	40,699	158,653	176,252
6220	Operator Systems	0	0	0	0	0	0
6231	Radio Systems	0	0	0	0	0	0
6232	Circuit Equip.	10,111	4,914	0	18,023	33,048	46,550
	Total Circuit Equip.	10,111	4,914	0	18,023	33,048	46,550
6311	Station Apparatus	0	0	0	0	0	0
6341	Large PBX	0	0	0	0	0	0
6351	Public Tele. Terminal	5,522	2,836	0	6,359	14,717	15,003
6362	Other Terminal Equip.	0	0	0	258	258	826
	Total Info. Orig/Term	5,522	2,836	0	6,617	14,975	15,829
6411	Poles	845	86	17,689	9	18,630	17,433
6421	Aerial Cable	24,077	12,055	0	6,380	42,512	50,811
6422	Underground Cable	1,176	651	0	123	1,950	1,578
6423	Buried Cable	243,408	118,645	0	51,708	413,762	461,153
6424	Submarine Cable	0	0	0	0	0	0
6425	Deep Sea Cable	0	0	0	0	0	0
6426	Intrabuilding Network	0	0	0	0	0	0
6431	Aerial Wire	0	0	0	0	0	0
6441	Conduit Systems	0	0	0	0	0	159
	Total Cable & Wire	269,506	131,437	17,689	58,221	476,853	531,134
	Total Plant Specific	\$425,930	\$189,113	\$17,689	\$314,480	\$947,212	\$1,072,641
Plant Nonspecific Exp							
6510	Other Property Plt	0	0	0	0	0	0
6531	Power	54	29	0	28,153	28,236	24,710
6532	Network Admin.	839	231	0	2,700	3,770	32,934
6533	Testing	188,325	83,683	0	1,928	273,936	233,633
6534	Plant Op. Admin.	0	0	0	956	956	0
6535	Engineering	18,078	9,180	0	75	27,333	72,594
	Total Network Op.	207,296	93,122	0	33,812	334,231	363,871