

REQUEST TO ESTABLISH DOCKET  
(PLEASE TYPE)

Date 7-2-96

Docket No. 960797-TL

1. Division Name/Staff Name \_\_\_\_\_
2. OPR R. Hicks P. Lee (AFAD)
3. OCR M. Reilly (CMU)
4. Suggested Docket Title Indianapolis Telephone System, Inc. -  
1996 Depreciation Study

5. Suggested Docket Mailing List (attach separate sheet if necessary)

- A. Provide NAMES ONLY for regulated companies or ACRONYMS ONLY regulated industries,  
as shown in Rule 25-22.104, F.A.C.
- B. Provide COMPLETE name and address for all others. (Match representatives to clients.)

1. Parties and their representatives (if any)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. Interested Persons and their representatives (if any)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

6. Check one:

- Documentation is attached.
- Documentation will be provided with the recommendation.

RECEIVED  
FLORIDA PUBLIC SERVICE COMMISSION  
95 JUL -2 AM 10:05  
INDIAN TOWN TELEPHONE SYSTEM  
FINANCIAL ANALYSIS DIV

# Indiantown Telephone System, Inc.

*A Modern System for Better Living*

15925 S.W. Warfield Blvd.

P.O. Box 277

Phone 407-597-2111

INDIANTOWN, FLORIDA 34956-0277

June 28, 1996

Patricia Lee  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Dear Ms. Lee:

Please find enclosed a bound version and five copies of Indiantown Telephone System, Inc.'s Capitol Recovery Requirements as of 12-13-95. Also enclosed is a diskette of the study along with a copy of an accompanying letter from the preparer, Edward Kettler of John Staurulakis, Inc.

If you have questions, comments or concerns, please contact me at (561) 597-3636.

Sincerely,

INDIANTOWN TELEPHONE SYSTEM, INC.

*Jim McGinn* *By [Signature]*

Jim McGinn

Revenue Requirements/Regulatory Manager

Enclosures

**JOHN STAURULAKIS, INC.**  
**TELECOMMUNICATIONS CONSULTANTS**

6315 SEABROOK ROAD  
SEABROOK, MARYLAND 20706

301-459-7590  
FAX 301-577-5575

June 27, 1996

Mr. James P. McGinn  
Manager Revenue Requirements  
Indiantown Telephone Systems, Inc.  
Warfield Blvd.  
P.O. Box 277  
Indiantown, Florida 34956

Dear Mr. McGinn:

Enclosed are two bound volumes and five loose copies of our 1996 review of Capital Recovery Requirements for the Indiantown Telephone System as of 12-31-95. One bound volume and the five copies are for filing with the Florida Public Service Commission. Also enclosed is a diskette containing those materials which should also be filed with the report.

This year's report follows our understanding of the new PSC rules relating to filing requirements. Most of the accounts used parameters which fell within the rules' guideline ranges and therefore required no additional support. We provided additional material and notes only for those accounts with average service lives or future net salvage estimates outside the published ranges.

The overall impact leaves the present total annual depreciation expense virtually unchanged. The minor increases and decreases by account primarily reflect variations in current depreciation reserve levels since the last study.

Please note that following Table I in the report is a schedule of three adjusting entries as of 12-31-95. The first two should be modified to reflect current plant and reserve levels and all three should be posted for book purposes.

Mr. James P. McGinn

Page 2

We believe the proposed annual accrual rates reasonably represent the capital recovery needs of the Indiantown Telephone System and accordingly recommended that you seek approval for implementation effective 1-1-96.

As always, should there be any questions or if we can assist further, please call me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Edward J. Kettler".

Edward J. Kettler  
Director  
Property Records

cc: Mr. Robert M. Post, Jr.

ORIGINAL  
FILE COPY

960797-72



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Advisors To Independent Telcos Since 1962



## INDIANTOWN TELEPHONE SYSTEM, INC.

Statement A Summarizes by account the basis for the proposed remaining life accrual rates and Capital Recovery Schedules.

Statement B Compares present and proposed annual capital recovery based on estimated investment in Plant as of 12/31/95.

Table 1 Summarizes Plant and Reserve balances as of 12/31/95.

Following Table 1 are several schedules which:

- Detail the study adjustments
- Compare the proposed average lives and salvage with Florida PSC ranges
- Provide notes on account parameters falling outside the PSC range
- Summarize Plant activity from 1/93 to 12/95

Also included is additional detail by plant account of the various considerations forming the basis for our proposed rates for those accounts with parameters outside the PSC ranges.

It is our opinion that the depreciation rates and Capital Recovery Schedules proposed are just and reasonable, and we recommend that approval be sought for implementation commencing 1/1/96.

**INDIANTOWN TELEPHONE SYSTEM  
COMPARISON OF DEPRECIATION RATE PARAMETERS**

STATEMENT A  
06/26/96

ACCT NO.	ACCOUNT NAME	PRESENT (EFF 1-1-93)				PROPOSED (EFF 1-1-96)			
		AVG REMAIN LIFE a	NET SALV % b	RSRV % c	REM LIFE RATE =(100-b-c)/a	AVG REMAIN LIFE e	NET SALV % f	RSRV %* g	REM LIFE RATE h=(100-f-g)/e
<b>AMORTIZABLE GENERAL SUPPORT ASSETS:</b>									
2116.0	TOOLS, WORK EQUIPMENT	7 YR				7 YR		57.37	
2122.0	FURNITURE	10 YR				10 YR		69.63	
2123.1	OFFICE SUPPORT EQUIPMENT	7 YR				7 YR		69.16	
2123.2	OFFICIAL TEL SYSTEM	5 YR				5 YR		76.82	
2124.0	GENERAL PURPOSE COMPUTERS	5 YR				5 YR		74.97	
<b>GENERAL SUPPORT ASSETS:</b>									
2112.0	VEHICLES-AUTOS	8	10	0	11.3				
2112.1	VEHICLES-LT TRUCKS	4.4	15	34.77	11.4	3.3	15	49.71	10.7
2116.1	CONSTRUCTION EQ	4.5	10	65.25	5.5	6.9	10	40.66	7.2
2121.0	BUILDINGS	24.1	6.9	26.21	2.8	22	5	32.56	2.8
2121.1	BUILDINGS-OFFICE	21	10	35.01	2.6			0.00	0.0
2121.2	BUILDINGS-SINGLE-UNIT	18.6	0	26.66	3.9			0.00	0.0
2121.3	BUILDINGS-PLANT	27	5	19.85	2.8			0.00	0.0
<b>CENTRAL OFFICE ASSETS:</b>									
2212.1	DIGITAL SWITCH	10.3	0	29.58	6.8	7.3	0	43.82	7.7
2232.1	CIR EQUIP-ANALOG CXR	3.1	0	92.98	2.3	0.4	0	100.00	0.0
2232.3	CIR EQUIP-DIG CXR	7.6	0	49.17	6.7	6.2	0	50.03	8.1
2232.4	CIR EQUIP-FIBER OPTICS	10	0	13.75	10.0 wl	8.5	0	14.94	10.0
2232.5	COE-STUART WEST	0	0	0	0.0	0	0	100.00	0.0
2232.5	COE-STUART WEST-additions	11.8	0	0	8.5 wl	10.5	0	13.96	8.2
<b>INFORMATION ORIG/TERM ASSETS:</b>									
2351.0	PAY STATIONS	6.3	0	38.18	9.8	6	0	36.13	10.6
2362.2	TERMINATING EQUIPMENT	6.9	0	39.18	8.8	3.6	0	64.54	9.8

INDIANTOWN TELEPHONE SYSTEM  
COMPARISON OF DEPRECIATION RATE PARAMETERS

STATEMENT A  
06/26/96

ACCT NO.	ACCOUNT NAME	PRESENT (EFF 1-1-93)				PROPOSED (EFF 1-1-96)			
		AVG REMAIN LIFE a	NET SALV % b	RSRV % c	REM LIFE RATE =(100-b-c)/a	AVG REMAIN LIFE e	NET SALV % f	RSRV %* g	REM LIFE RATE h=(100-f-g)/e
<b>CABLE &amp; WIRE ASSETS:</b>									
2411.0	POLES	11.1	-30	71.24	5.3	9.8	-30	88.56	4.2
2421.4	AERIAL CABLE-FIBER	20	-15	0	5.8 wl	20	-25	0.00	6.3
2422.0	UNDERGROUND CBL-METAL	11.4	-5	42.12	5.5	12.6	-5	32.16	5.8
2422.4	UNDERGROUND CBL-FIBER	20	-5	0	5.3 wl	18.5	-5	7.79	5.3
2423.2	BURIED CABLE-METAL FILL	11	-5	34.53	6.4	10.6	-5	44.43	5.7
2423.4	BURIED CABLE-FIBER	20	-5	7.16	5.3 wl	18.5	-5	12.45	5.0
2441.0	UNDERGROUND CONDUIT	44	-5	12.33	2.1	42	-5	15.28	2.1

CAPITAL RECOVERY SCHEDULES :

2423.0 BURIED CABLE-METALLIC 2 -5 2 YR AMTZN

DEFER REVENUE- CIAC-ORDER 21474

(\$33,207)

(\$33,207)



INDIANTOWN TELEPHONE SYSTEM      STATEMENT B  
 COMPARISON OF DEPRECIATION ACCRUAL EXPENSE      06/26/96

ACCT NO.	ACCOUNT NAME	PRESENT					PROPOSED (EFF 1-1-96)				
		INVESTMENT	RATE	ACCRUAL	AMORTZ	TOTAL	RATE	ACCRUAL	AMORTZ	TOTAL	CHANGE
		\$ a	% b	\$ c=a*b	\$ d	\$ e=c*d	% f	\$ g=a*f	\$ h	\$ i=g-h	\$ j=i-e
<b>AMORTIZABLE GENERAL SUPPORT ASSETS:</b>											
2116.0	TOOLS, WORK EQUIPMENT	139,284	7 YR		14,430	14,430	7 YR		14,430	14,430	0
2122.0	FURNITURE	47,443	10 YR		3,245	3,245	10 YR		3,245	3,245	0
2123.1	OFFICE SUPPORT EQUIPMENT	67,999	7 YR		8,609	8,609	7 YR		8,609	8,609	0
2123.2	OFFICIAL TEL SYSTEM	42,228	5 YR		5,912	5,912	5 YR		5,912	5,912	0
2124.0	GENERAL PURPOSE COMPUTER	281,157	5 YR		21,390	21,390	5 YR		21,390	21,390	0
<b>GENERAL SUPPORT ASSETS:</b>											
2112.0	VEHICLES-AUTOS	0	11.3	0		0	0.0	0		0	0
2112.1	VEHICLES-LT TRUCKS	123,256	11.4	14,051		14,051	10.7	13,188		13,188	(863)
2116.1	CONSTRUCTION EQ	32,038	5.5	1,762		1,762	7.2	2,307		2,307	545
2121.0	BUILDINGS	894,624	2.8	25,049		25,049	2.8	25,049		25,049	0
2121.1	BUILDINGS-OFFICE	0	2.6	0		0	0.0	0		0	0
2121.2	BUILDINGS-SINGLE-UNIT	0	3.9	0		0	0.0	0		0	0
2121.3	BUILDINGS-PLANT	0	2.8	0		0	0.0	0		0	0
<b>CENTRAL OFFICE ASSETS:</b>											
2212.1	DIGITAL SWITCH	1,509,421	6.8	102,641		102,641	7.7	116,225		116,225	13,584
2232.1	CIR EQUIP-ANALOG CXR	166,008	2.3	0		0	0.0	0		0	0
2232.3	CIR EQUIP-DIG CXR	1,275,225	6.7	85,440		85,440	8.1	103,293		103,293	17,853
2232.4	CIR EQUIP-FIBER OPTICS	649,087	10.0	64,909		64,909	10.0	64,909		64,909	0
2232.5	COE-STUART WEST	79,952	0.0	0		0	0.0	0		0	0
2232.5	COE-STUART WEST-additions	30,126	8.5	2,561		2,561	8.2	2,470		2,470	(91)
<b>INFORMATION ORIG/TERM ASSETS:</b>											
2351.0	PAY STATIONS	51,765	9.8	5,073		5,073	10.6	5,487		5,487	414
2362.2	TERMINATING EQUIPMENT	47,625	8.8	4,191		4,191	9.8	4,667		4,667	476

INDIANTOWN TELEPHONE SYSTEM  
COMPARISON OF DEPRECIATION ACCRUAL EXPENSE

STATEMENT B  
06/26/96

ACCT NO.	ACCOUNT NAME	PRESENT				PROPOSED (EFF 1-1-96)				CHANGE	
		INVESTMENT	RATE	ACCRUAL	AMORTZ	TOTAL	RATE	ACCRUAL	AMORTZ		TOTAL
		\$ a	% b	\$ c=a*b	\$ d	\$ e=c*d	% f	\$ g=a*f	\$ h		\$ i=g-h
<b>CABLE &amp; WIRE ASSETS:</b>											
2411.0	POLES	17,687	5.3	937		937	4.2	743		743	(194)
2421.4	AERIAL CABLE-FIBER	0	5.8	0		0	6.3	0		0	0
2422.0	UNDERGROUND CBL-METAL	144,326	5.5	7,938		7,938	5.8	8,371		8,371	433
2422.4	UNDERGROUND CBL-FIBER	176,606	5.3	9,360		9,360	5.3	9,360		9,360	0
2423.2	BURIED CABLE-METAL FILL	4,381,946	6.4	280,445		280,445	5.7	249,771		249,771	(30,674)
2423.4	BURIED CABLE-FIBER	794,374	5.3	42,102		42,102	5.0	39,719		39,719	(2,383)
2441.0	UNDERGROUND CONDUIT	142,529	2.1	2,993		2,993	2.1	2,993		2,993	0
	<b>SUBTOTALS</b>	<b>11,094,706</b>		<b>649,452</b>	<b>53,586</b>	<b>703,038</b>		<b>648,552</b>	<b>53,586</b>	<b>702,138</b>	<b>(900)</b>
<b>CAPITAL RECOVERY SCHEDULES :</b>											
2423.0	BURIED CABLE-METALLIC	244,679	2 YR	0		0			0	0	0
	DEFER REVENUE- CIAC-ORDER 21474					(33,207)			(33,207)	(33,207)	0
	<b>TOTALS</b>	<b>11,339,385</b>		<b>649,452</b>	<b>20,379</b>	<b>669,831</b>		<b>648,552</b>	<b>20,379</b>	<b>668,931</b>	<b>(900)</b>

INDIANTOWN TELEPHONE SYSTEM  
SUMMARY OF PLANT AND RESERVE AT 12-31-95

TABLE 1  
06/26/96

ACCT NO.	ACCOUNT NAME	PLANT				RESERVE			
		12/95	ADJUSTMENTS	STUDY	% OF	12/95	ADJUSTMENTS	STUDY	STUDY
		\$ a	\$ b	\$ c=a+b	TOTAL d	\$ e	\$ f	\$ g=e+f	RATIO h=g/c
<b>AMORTIZABLE GENERAL SUPPORT ASSETS:</b>									
2116.0	TOOLS, WORK EQUIPMENT	139,284		139,284	1.23%	79,907		79,907	57.37%
2122.0	FURNITURE	47,443		47,443	0.42%	33,035		33,035	69.63%
2123.1	OFFICE SUPPORT EQUIPMENT	67,999		67,999	0.60%	47,025		47,025	69.16%
2123.2	OFFICIAL TEL SYSTEM	42,228		42,228	0.37%	32,439		32,439	76.82%
2124.0	GENERAL PURPOSE COMPUTE	281,157		281,157	2.48%	210,794		210,794	74.97%
<b>GENERAL SUPPORT ASSETS:</b>									
2112.0	VEHICLES-AUTOS	11,770	(11,770)	0	0.00%	2,438	(2,438)	0	0.00%
2112.1	VEHICLES-LT TRUCKS	111,486	11,770	123,256	1.09%	58,829	2,438	61,267	49.71%
2116.1	CONSTRUCTION EQ	32,038		32,038	0.28%	13,027		13,027	40.66%
2121.0	BUILDINGS	0	894,624	894,624	7.89%	0	291,271	291,271	32.56%
2121.1	BUILDINGS-OFFICE	379,080	(379,080)	0	0.00%	145,642	(145,642)	0	0.00%
2121.2	BUILDINGS-SINGLE-UNIT	39,302	(39,302)	0	0.00%	15,075	(15,075)	0	0.00%
2121.3	BUILDINGS-PLANT	476,242	(476,242)	0	0.00%	130,554	(130,554)	0	0.00%
<b>CENTRAL OFFICE ASSETS:</b>									
2212.1	DIGITAL SWITCH	1,509,421		1,509,421	13.31%	661,474		661,474	43.82%
2232.1	CIR EQUIP-ANALOG CXR	166,008		166,008	1.46%	166,008		166,008	100.00%
2232.3	CIR EQUIP-DIG CXR	1,275,225		1,275,225	11.25%	638,057		638,057	50.03%
2232.4	CIR EQUIP-FIBER OPTICS	649,087		649,087	5.72%	96,997		96,997	14.94%
2232.5	COE-STUART WEST	79,952		79,952	0.71%	79,952		79,952	100.00%
2232.5	COE-STUART WEST-additions	30,126		30,126	0.27%	4,206		4,206	13.96%
<b>INFORMATION ORIG/TERM ASSETS:</b>									
2351.0	PAY STATIONS	51,765		51,765	0.46%	18,705		18,705	36.13%
2362.2	TERMINATING EQUIPMENT	47,625		47,625	0.42%	30,738		30,738	64.54%

INDIANTOWN TELEPHONE SYSTEM  
SUMMARY OF PLANT AND RESERVE AT 12-31-95

TABLE 1  
06/26/96

ACCT NO.	ACCOUNT NAME	PLANT				RESERVE			
		12/95	ADJUSTMENTS	STUDY	% OF	12/95	ADJUSTMENTS	STUDY	STUDY
		\$ a	\$ b	\$ c=a+b	TOTAL d	\$ e	\$ f	\$ g=e+f	RATIO h=g/c
<b>CABLE &amp; WIRE ASSETS:</b>									
2411.0	POLES	17,687		17,687	0.16%	15,664		15,664	88.56%
2421.4	AERIAL CABLE-FIBER	0		0	0.00%	0		0	0.00%
2422.0	UNDERGROUND CBL-METAL	144,326		144,326	1.27%	46,412		46,412	32.16%
2422.4	UNDERGROUND CBL-FIBER	139,609	36,997	176,606	1.56%	13,756		13,756	7.79%
2423.2	BURIED CABLE-METAL FILL	4,381,946		4,381,946	38.64%	1,947,026		1,947,026	44.43%
2423.4	BURIED CABLE-FIBER	794,374		794,374	7.01%	98,889		98,889	12.45%
2441.0	UNDERGROUND CONDUIT	142,529		142,529	1.26%	(15,218)	36,997	21,779	15.28%
	<b>SUBTOTALS</b>	<u>11,057,709</u>	<u>36,997</u>	<u>11,094,706</u>			<u>36,997</u>	<u>4,608,428</u>	
<b>CAPITAL RECOVERY SCHEDULES :</b>									
2423.0	BURIED CABLE-METALLIC	244,679		244,679	2.16%	244,679		244,679	100.00%
	DEFER REVENUE- CIAC-ORDER 21474					216,938		216,938	
	<b>TOTALS</b>	<u>11,302,388</u>	<u>36,997</u>	<u>11,339,385</u>	<u>100.00%</u>	<u>461,617</u>	<u>36,997</u>	<u>5,070,045</u>	

# INDIANTOWN TELEPHONE SYSTEM

## STUDY ADJUSTING ENTRIES AT 12-31-95

1 ACCT 2112.1	11,770	
ACCT 2112.0		11,770
ACCT 3100-2112.0	2,438	
ACCT 3100-2212.1		2,438
TO COMBINE AUTOS AND LIGHT TRUCKS INTO SINGLE VEHICLE ACCOUNT AT 12-31-95 CONSISTENT WITH FLA. PSC USOA		
2 ACCT 2121.0	894,624	
ACCT 2121.1		379,080
ACCT 2121.2		39,302
ACCT 2121.3		476,242
ACCT 3100-2121.1	145,642	
ACCT 3100-2121.2	15,075	
ACCT 3100-2121.3	130,554	
ACCT 3100-2121.0		291,271
TO COMBINE BUILDING SUBACCOUNTS INTO SINGLE CLASSIFICATION AT 12-31-95 CONSISTENT WITH FLA. PSC USOA		
3 ACCT 2422.4	36,997	
ACCT 3100-2441.0		36,997
TO RECLASSIFY '95 CREDIT FOR RETIRED CONDUIT DUE TO ROAD MOVE FROM A CREDIT TO NEW PLANT TO SALVAGE FOR DISPLACED PLANT. THIS IN ORDER TO KEEP CONDUIT RESERVE FROM GOING NEGATIVE.		



**INDIANTOWN TELEPHONE SYSTEM**  
**COMPARISON OF PROPOSED AVG SERVICE LIVES AND SALVAGE**  
**WITH FLORIDA PSC RANGES AT 12/95**

ACCT NO.	ACCOUNT NAME	AVERAGE SERVICE LIVES			FUTURE NET SALVAGE		
		FLA PSC RANGE		CURRENT PROPOSED	FLA PSC RANGE		CURRENT PROPOSED
<b>GENERAL SUPPORT ASSETS:</b>							
2112.1	VEHICLES-LT TRUCKS	6-8		7 7.4	10-20		15 15
2116.1	CONSTRUCTION EQ	8-11	@	16.3 13.5	5-10		10 10
2121.0	BUILDINGS	32-36		34 34	0-5	composite	6.9 5 *
2121.1	BUILDINGS-OFFICE	32-36		33			10 *
2121.2	BUILDINGS-SINGLE-UNIT	32-36	@	25			0
2121.3	BUILDINGS-PLANT	32-36		35			5
<b>CENTRAL OFFICE ASSETS:</b>							
2212.1	DIGITAL SWITCH	13-16		14.8 14.3	0-5		0 0
2232.1	CIR EQUIP-ANALOG CXR	8-10		10 10.3	(5)-0		0 0
2232.3	CIR EQUIP-DIG CXR	10-12		12.3 11.7	0-5		0 0
2232.4	CIR EQUIP-FIBER OPTICS	8-10		10 10.1	0-5		0 0
2232.5	COE-STUART WEST	NA		NA	NA		NA
2232.5	COE-STUART WEST-additions (digital)	10-12		11.8 10.5	0-5		0 0
<b>INFORMATION ORIG/TERM ASSETS:</b>							
2351.0	PAY STATIONS	8-10		10.3 9.4	0-5		0 0
2362.2	TERMINATING EQUIPMENT	8-10	@	10.8 9.9	0-5		0 0
<b>CABLE &amp; WIRE ASSETS:</b>							
2411.0	POLES	20-22		21 22.4	(60)-(40)		-30 -50 *
2421.4	AERIAL CABLE-FIBER	20-22		20 20	(30)-(20)		-15 -25 *
2422.0	UNDERGROUND CBL-METAL	19-21		19.5 18.7	(10)-(5)		-5 -5
2422.4	UNDERGROUND CBL-FIBER	20-22		20 20	(10)-(5)		-5 -5
2423.2	BURIED CABLE-METAL FILL	17-19	@	16.3 17.3	(5)-0		-5 -5
2423.4	BURIED CABLE-FIBER	20-22		20 20	(5)-0		-5 -5
2441.0	UNDERGROUND CONDUIT	50-52	#	50 50	(5)-0		-5 -5

**NOTES:**

- @ CURRENT ASL OUTSIDE OF RANGE - SEE ACCOUNT NOTES AND DETAIL
- \* CURRENT FUT NET SALVAGE OUTSIDE OF RANGE - SEE ACCOUNT NOTES AND DETAIL
- # ANALYSIS EXCLUDES ATYPICAL EXPERIENCE- SEE ACCOUNT NOTES AND ADJUSTMENT #3 FOR DETAIL

# INDIANTOWN TELEPHONE SYSTEM

## NOTES ON LIVES AND SALVAGE OUTSIDE FLA. PSC RANGES AT 12-31-95

ACCT NO.	ACCT NAME	PARAMETER	NOTE
2116.1	CONSTR EQUIP	LIFE +	CURRENT AND PROPOSED AVG LIFE IS GREATER THAN RANGE. RANGE IS 8-11 YR; CURRENT IS 16.3 YR; PROPOSED IS 13.5 YR. HALF OF ACCOUNT IS 15 YRS OLD , HALF IS 2 YRS OLD. USED 12 YR PROJECTION DUE TO CO. KEEPING EQUIP. LONGER
2121.1	BUILDING-OFFICE	SALV	CURRENT SALV @ 10% IS GREATER THAN RANGE OF 0-5 PERCENT. PROPOSE TO MOVE TO RANGE, USING 5% AS MORE TYPICAL OF INDUSTRY EXPERIENCE. <b>COMBINE SUBACCOUNTS</b> ON A COMBINED BASIS CURRENT SALV IS 6.9%; PROPOSE 5%
2121.2	BUILDING-SGL UNIT	LIFE -	CURRENT AVG LIFE OF 25 YR IS LESS THAN RANGE OF 32-36 YR. <b>COMBINE SUBACCOUNTS</b> ON A COMBINED BASIS AVERAGE LIFE OF 34 IS IN THE RANGE
2362.2	TERMINATING EQ	LIFE	CURRENT LIFE @ 10.8 IS MINIMALLY BEYOND RANGE OF 8-10 YR PROPOSE TO MOVE TO RANGE; MINOR SHIFT REFLECTS INCREASING CONCERN OVER EXISTING EQUIP IN A HIGHLY TECHNOLOGY DRIVEN ACCOUNT PROPOSE 9.9 ASL RESULTING FROM A 9 YR PROJECTION LIFE
2411	POLES	SALV +	CURRENT -30% SALV GREATER THAN RANGE OF (60)-(40) EXPERIENCE SHOWS MUCH LESS COST OF REMOVAL. NET SALV PAST 3YR = -19% ; 10 YR = -28% MINIMAL REMAINING INVESTMENT; PROPOSE TO CONTINUE THE -30% FUTURE NET SALVAGE
2421.4	AERIAL FIBER	SALV +	CURRENT SALV OF -15% GREATER THAN RANGE OF -(30)-(20)% PROPOSE TO MOVE TO RANGE ; USE -25% FUTURE NET SALVAGE. LIKELY TO INCUR REMOVAL COST BUT NO TRUE SALVAGE. INDUSTRY ESTIMATES ARE INCREASING REMOVAL COSTS. CURRENTLY NO INVESTMENT IN THIS CLASSIFICATION.
2423.3	BURIED METAL-FILL	LIFE -	CURRENT 16.3 YEAR AVG LIFE IS UNDER RANGE OF 17-19 YR. PROPOSE TO MOVE TO RANGE; MINOR SHIFT RECOGNIZES INEXACT FUTURE RETIREMENT DATE; RANGE IS REASONABLE. USED 17 YR PROJECTION RESULTING IN 17.3 AVG LIFE
2441	CONDUIT		ANALYSIS EXCLUDED 1994 ATYPICAL RETIREMENT OF 28% OF ACCT. FROM 1989 VINTAGE DUE TO ROAD MOVE. OTHERWISE A MISLEADING CONCLUSION RESULTS, AND THIS ISN'T EXPECTED IN THAT MAGNITUDE IN THE FUTURE

## INDIANTOWN TELEPHONE SYSTEM

### PLANT ACTIVITY 1992-1995

ACCT NO.	ACCOUNT NAME	ADDITIONS				RETIREMENTS			
		1992	1993	1994	1995	1992	1993	1994	1995
2116.0	OTHER WORK EQUIP		24,422	39,707	1,820	479	933	12	1,235
2122.0	FURNITURE		12,067						948
2123.0	OFFICE SUPPORT EQ	30,009	2,098	1,155		6,799			
2123.0	COMPANY COMMUNICATIONS	14,229	13,526	961		893			
2124.0	GENERAL PURPOSE COMPUTER	38,946	12,259	51,358	19,466	2,582	4,649		23,268
2112.0	VEHICLES-AUTO			11,770					
2112.1	VEHICLES-LT TRUCK	26,668	27,575			15,573	9,785	9,785	
2116.2	CONSTRUCTION EQ		15,469	3,286					
2121.1	BUILDING-OFFICE	44,870	12,216	816	27,712				
2121.2	BUILDING SGL UNIT								
2121.3	BUILDING-PLANT	103,789	2,215		2,257				
2212.1	COE-DIGITAL SW	15,133	38,830	7,727	153,114				
2232.2	COE-ANALOG CARRIER								
2232.3	COE-DIGITAL CARRIER	23,806	194,493	305,056	54,180				
2232.4	COE-FIBER OPTIC			86,554	427,567 *				
2232.5	COE-STUART WEST			31,186 *					
2351.0	PAYSTATIONS	9,539	15,049	1,764	8,642	9,978	4,518	1,567	516
2362.2	TERMINATING EQUIP	2,384		992					
2411.0	POLES					1,195	602	183	
2421.0	AERIAL CABLE-METAL	167						7,387	
2422.0	UNDERGROUND CABLE-METAL			50,791 *		3,200		29,701	
2422.4	UNDERGROUND CABLE-FIBER			194,580 *					
2423.0	BURIED CABLE-METALLIC					77,651	23,443	9,550	
2423.2	BURIED CABLE-METAL FILLED	374,872	261,734	202,514	189,619	140,028	24,457	174,232	22,370
2423.4	BURIED CABLE-FIBER			69,491	346,252				
2441.0	CONDUIT	2,488	1,548	26,830				44,004	

\* SEE '95 ADJUSTMENT CREDIT & RECLASSIFY ENTRIES

ACCT NO.	RECLASSIFY				ADJUST				BALANCE			
	1992	1993	1994	1995	1992	1993	1994	1995	1992	1993	1994	1995
2116.0	21,115			4,736				(8,420)	79,199	102,688	142,383	139,284
2122.0									36,324	48,391	48,391	47,443
2123.0									64,746	66,843	67,999	67,999
2123.0	(8,215)								27,741	41,266	42,228	42,228
2124.0									225,990	238,249	284,958	281,157
2112.0									-		11,770	11,770
2112.1									103,481	121,271	111,486	111,486
2116.2									13,284	28,752	32,038	32,038
2121.1									338,336	350,552	351,368	379,080
2121.2									39,302	39,302	39,302	39,302
2121.3									471,769	473,985	473,985	476,242
2212.1				1,060					1,308,691	1,347,521	1,355,247	1,509,421
2232.2	(5,377)					(12,763)			178,771	166,008	166,008	166,008
2232.3	92,313					12,763		(93,783)	802,516	1,009,772	1,314,828	1,275,225
2232.4				(4,736)				(27,688)	167,390	167,390	253,944	649,087
2232.5				(1,060)					79,952	79,952	111,138	110,078
2351.0									32,911	43,442	43,639	51,765
2362.2									46,632	46,632	47,625	47,625
2411.0								(8,450)	26,922	26,320	17,687	17,687
2421.0									7,387	7,387	-	-
2422.0								(4,864)	128,100	128,100	149,190	144,326
2422.4								(54,971)			194,580	139,609
2423.0									277,673	254,230	244,679	244,679
2423.2	8,215							8,450	3,943,673	4,180,951	4,217,683	4,381,946
2423.4	(108,051)							(928)	379,559	379,559	449,050	794,374
2441.0									158,155	159,703	142,529	142,529



COMPANY: INDIANTOWN TELEPHONE SYSTEM

ACCOUNT: 2121.0 BUILDINGS

ACCOUNT PARAMETER SUMMARY

	EFFECTIVE 1-1-93 *	PROPOSAL 1-1-96
	<hr/>	<hr/>
INVESTMENT BALANCE (\$)		
FORM M		0
ADJUSTMENT		894,624
STUDY	849,407	894,624
% OF TOT. DEPR. PLANT		7.89
DEPR. RESERVE (\$)		
BOOK		0
ADJUSTMENT		291,271
STUDY	222607	291,271
(%)	26.21%	32.56%
P LIFE/AYFR (YR)	34.0	33.0
CURVE	R3	R3
WHOLE LIFE (YR)	34.0	34.0
AVG NET SALV. (%)		5.0
WL RATE (%)		2.8
COMPOSITE REM LIFE (YR)	24.1	22.0
FUT. NET SALV. (%)	6.9	5.0
COMPOSITE RL RATE (%)	2.8	2.8

\* 1/93 DATA IS COMPOSITED FOR 3 CLASSIFICATIONS



Date: 06-26-1996

Company : INDIANTOWN TEL. SYSTEM

ACCOUNT : 2121

CATEGORY : BUILDINGS

TABLE 2 - VG

Generation Arrangement  
Development of Vintage Realized Life and Vintage Remaining Life

Experience as of 1-1-1996

Vintage	Age	Vintage Additions	Amount Surviving	Retn. Ratio	Prop. Surv.	Relx. Life	Life Table	R/L	R/L
								Orig Plant	Survvs.
N	A	B	C	D= (B-C)/B	E= 1-D	F *	G	H **	I= H/G+.5
1995	0.5	29,969.	29,969.		1.0000	0.50	0.9998	32.00	32.51
1994	1.5	816.	816.		1.0000	1.50	0.9992	31.00	31.53
1993	2.5	14,431.	14,431.		1.0000	2.50	0.9984	30.00	30.55
1992	3.5	148,659.	148,659.		1.0000	3.50	0.9975	29.00	29.58
1991	4.5	685.	685.		1.0000	4.50	0.9964	28.01	28.61
1990	5.5				1.0000	5.50	0.9949	27.01	27.65
1989	6.5	11,095.	11,095.		1.0000	6.50	0.9932	26.02	26.70
1988	7.5	532.	532.		1.0000	7.50	0.9911	25.03	25.76
1987	8.5				1.0000	8.50	0.9885	24.04	24.82
1986	9.5				1.0000	9.50	0.9855	23.06	23.89
1985	10.5	4,277.	4,277.		1.0000	10.50	0.9819	22.07	22.98
1984	11.5	112,653.	112,653.		1.0000	11.50	0.9777	21.10	22.08
1983	12.5	3,998.	3,998.		1.0000	12.50	0.9728	20.12	21.18
1982	13.5	362,067.	360,274.	0.0050	0.9950	13.50	0.9672	19.16	20.31
1981	14.5	3,459.	3,459.		1.0000	14.50	0.9606	18.20	19.44
1980	15.5	140,243.	140,243.		1.0000	15.50	0.9532	17.24	18.59
1979	16.5				1.0000	16.50	0.9447	16.30	17.75
1978	17.5				1.0000	17.50	0.9350	15.36	16.93
1977	18.5	1,600.	1,600.		1.0000	18.50	0.9241	14.44	16.12
1976	19.5	1,785.	1,785.		1.0000	19.50	0.9119	13.53	15.33
1975	20.5				1.0000	20.50	0.8983	12.63	14.56
1974	21.5	2,147.	2,147.		1.0000	21.50	0.8830	11.74	13.80
1973	22.5	4,000.	4,000.		1.0000	22.50	0.8660	10.88	13.06
1972	23.5	18,000.	18,000.		1.0000	23.50	0.8471	10.03	12.34
1971	24.5	5,000.	5,000.		1.0000	24.50	0.8262	9.21	11.64
1970	/Prior	31,000.	31,000.		1.0000	25.50	0.0480	0.26	5.99

\* Sum E to Vintg. minus 1, plus 1/2 Vint. E

\*\* Sum G Vint. plus 1 to G=0

Survivors by known Vintages  
Projection by Iowa-Curve R3 33

Date: 06-26-1996

Company : INDIANTOWN TEL. SYSTEM

ACCOUNT : 2121

CATEGORY : BUILDINGS

TABLE 1 - VG

Generation Arrangement  
Development of Average Remaining Life and Average Service Life

Experience as of 1-1-1996

Vin- tage	Age	Amount Surviving	Prop. Surv.	Relx. Life	R/L Years	A/L Years	A/L Weights	Rem.Life Weights
H	A	B	C	D	E	F=	G=	H=
					**	C*E+D	B/F	E*G
1995	0.5	29,969.	1.0000	0.50	32.51	33.01	908.	29,515.
1994	1.5	816.	1.0000	1.50	31.53	33.03	25.	779.
1993	2.5	14,431.	1.0000	2.50	30.55	33.05	437.	13,339.
1992	3.5	148,659.	1.0000	3.50	29.58	33.08	4,494.	132,929.
1991	4.5	685.	1.0000	4.50	28.61	33.11	21.	592.
1990	5.5		1.0000	5.50	27.65	33.15		
1989	6.5	11,095.	1.0000	6.50	26.70	33.20	334.	8,923.
1988	7.5	532.	1.0000	7.50	25.76	33.26	16.	412.
1987	8.5		1.0000	8.50	24.82	33.32		
1986	9.5		1.0000	9.50	23.89	33.39		
1985	10.5	4,277.	1.0000	10.50	22.98	33.48	128.	2,936.
1984	11.5	112,653.	1.0000	11.50	22.08	33.58	3,355.	74,069.
1983	12.5	3,998.	1.0000	12.50	21.18	33.68	119.	2,514.
1982	13.5	360,274.	0.9950	13.50	20.31	33.70	10,690.	217,065.
1981	14.5	3,459.	1.0000	14.50	19.44	33.94	102.	1,982.
1980	15.5	140,243.	1.0000	15.50	18.59	34.08	4,115.	76,487.
1979	16.5		1.0000	16.50	17.75	34.25		
1978	17.5		1.0000	17.50	16.93	34.42		
1977	18.5	1,600.	1.0000	18.50	16.12	34.62	46.	745.
1976	19.5	1,785.	1.0000	19.50	15.33	34.83	51.	786.
1975	20.5		1.0000	20.50	14.56	35.05		
1974	21.5	2,147.	1.0000	21.50	13.80	35.30	61.	840.
1973	22.5	4,000.	1.0000	22.50	13.06	35.56	112.	1,469.
1972	23.5	18,000.	1.0000	23.50	12.34	35.84	502.	6,199.
1971	24.5	5,000.	1.0000	24.50	11.64	36.14	138.	1,611.
1970	/Prior	31,000.	1.0000	25.50	5.99	40.49	766.	4,589.
		894,623.					26,419.	577,780.

## AVG SERVICE LIFE:

TOT B/TOT G 33.86249

## AVG REMAINING LIFE:

TOT H/TOT G 21.86964

## COMPUTED GROSS ADDS:

SUM OF (B/C)

896,416.

## AVG PROPORTION SURVIVING:

B/ SUM OF (B/C)

0.99800

\*\* From Table 2, Column I

# INDIANTOWN TELEPHONE SYSTEM

## COMBINATION OF BUILDING SUBACCOUNTS AT 12-31-95

YEAR	GROSS ADDITIONS				SURVIVORS			
	2121.1	2121.2	2121.3	TOTAL	2121.1	2121.2	2121.3	TOTAL
1995	27,712		2,257	29,969	27,712		2,257	29,969
1994	816			816	816			816
1993	12,216		2,215	14,431	12,216		2,215	14,431
1992	44,870		103,789	148,659	44,870		103,789	148,659
1991	685			685	685			685
1990				-				-
1989	5,980		5,115	11,095	5,980		5,115	11,095
1988	532			532	532			532
1987				-				-
1986				-				-
1985	1,197	3,080		4,277	1,197	3,080		4,277
1984	76,200	36,222	231	112,653	76,200	36,222	231	112,653
1983	1,638		2,360	3,998	1,638		2,360	3,998
1982			362,067	362,067			360,274	360,274
1981	3,459			3,459	3,459			3,459
1980	140,243			140,243	140,243			140,243
1979				-				-
1978				-				-
1977	1,600			1,600	1,600			1,600
1976	1,785			1,785	1,785			1,785
1975				-				-
1974	2,147			2,147	2,147			2,147
1973	4,000			4,000	4,000			4,000
1972	18,000			18,000	18,000			18,000
1971	5,000			5,000	5,000			5,000
1970				-				-
1969				-				-
1968				-				-
1967				-				-
1966				-				-
1965				-				-
1964				-				-
1963				-				-
1962				-				-
1961	31,000			31,000	31,000			31,000
TOTALS	379,080	39,302	478,034	896,416	379,080	39,302	476,241	894,623

COMPANY: INDIANTOWN TELEPHONE SYSTEM

ACCOUNT: 2362.2 TERMINATING EQUIPMENT

ACCOUNT PARAMETER SUMMARY

	EFFECTIVE 1-1-93	PROPOSAL 1-1-96
	<hr/>	<hr/>
INVESTMENT BALANCE (\$)		
FORM M		47,625
ADJUSTMENT		
STUDY	46,632	47,625
% OF TOT. DEPR. PLANT		0.42
DEPR. RESERVE (\$)		
BOOK		30,738
ADJUSTMENT		
STUDY	18259	30,738
(%)	39.16%	64.54%
P LIFE/AYFR (YR)	10.0	10.0
CURVE	S1	S1
WHOLE LIFE (YR)	10.8	9.9
AVG NET SALV. (%)		0.0
WL RATE (%)		10.1
COMPOSITE REM LIFE (YR)	6.9	3.6
FUT. NFT SALV. (%)	0.0	0.0
COMPOSITE RL RATE (%)	8.8	9.8



Date: 06-26-1996

Company : INDIANTOWN TEL. SYSTEM

ACCOUNT : 2362

CATEGORY : OTHER TERMINATING EQ

TABLE 2 - VG

Generation Arrangement  
Development of Vintage Realized Life and Vintage Remaining Life

Experience as of 1-1-1996

Vintage	Age	Vintage Additions	Amount Surviving	Retm. Ratio	Prop. Surv.	Relx. Life	Life Table	R/L	
								Orig Plant	R/L Survs.
H	A	B	C	D=	E=	F	G	H	I=
				(B-C)/B	1-D	*		**	H/G+.5
1995	0.5				1.0000	0.50	0.9996	7.00	7.50
1994	1.5	992.	992.		1.0000	1.50	0.9912	6.01	6.56
1993	2.5				1.0000	2.50	0.9660	5.04	5.72
1992	3.5	2,384.	2,384.		1.0000	3.50	0.9201	4.12	4.98
1991	4.5	23,136.	23,136.		1.0000	4.50	0.8531	3.27	4.33
1990	5.5	134.	134.		1.0000	5.50	0.7673	2.50	3.76
1989	6.5	1,483.	1,483.		1.0000	6.50	0.6666	1.84	3.25
1988	7.5	7,533.	7,533.		1.0000	7.50	0.5566	1.28	2.80
1987	8.5	37.	37.		1.0000	8.50	0.4434	0.84	2.39
1986	9.5				1.0000	9.50	0.3334	0.50	2.01
1985	10.5	2,341.	2,332.	0.0039	0.9961	10.50	0.2327	0.27	1.66
1984	11.5	1,467.	1,429.	0.0260	0.9740	11.48	0.1469	0.12	1.34
1983	12.5	2,099.	1,980.	0.0569	0.9431	12.44	0.0799	0.04	1.04
1982	13.5	2,485.	2,242.	0.0979	0.9021	13.36	0.0340	0.01	0.77
1981	14.5				1.0000	14.32	0.0088	0.00	0.55
1980	15.5	5,000.	3,944.	0.2112	0.7888	15.21	0.0004		0.50
1979	16.5				1.0000				
1978	17.5				1.0000				
1977	18.5				1.0000				
1976	19.5				1.0000				
1975	20.5				1.0000				
1974	21.5				1.0000				
1973	22.5				1.0000				
1972	23.5				1.0000				
1971	24.5				1.0000				
1970	/Prior								

\* Sum E to Vintg. minus 1, plus 1/2 Vint. E

\*\* Sum G Vint. plus 1 to G=0

Survivors by Iowa-Curve S3 19

Projection by Iowa-Curve S1 8



Date: 06-26-1996

Company : INDIANTOWN TEL. SYSTEM

ACCOUNT : 2362

CATEGORY : OTHER TERMINATING EQ

TABLE 1 - VG

Generation Arrangement  
Development of Average Remaining Life and Average Service Life

Experience as of 1-1-1996

Vin- tage	Age	Amount Surviving	Prop. Surv.	Rela. Life	R/L Years	A/L Years	A/L Weights	Rem.Life Weights
N	A	B	C	D	E	F=	G=	H=
					**	C*E+D	B/F	E*G
1995	0.5		1.0000	0.50	7.50	8.00		
1994	1.5	992.	1.0000	1.50	6.56	8.06	123.	807.
1993	2.5		1.0000	2.50	5.72	8.22		
1992	3.5	2,384.	1.0000	3.50	4.98	8.48	281.	1,400.
1991	4.5	23,136.	1.0000	4.50	4.33	8.83	2,619.	11,349.
1990	5.5	134.	1.0000	5.50	3.76	9.26	14.	54.
1989	6.5	1,483.	1.0000	6.50	3.25	9.75	152.	495.
1988	7.5	7,533.	1.0000	7.50	2.80	10.30	731.	2,047.
1987	8.5	37.	1.0000	8.50	2.39	10.89	3.	8.
1986	9.5		1.0000	9.50	2.01	11.51		
1985	10.5	2,332.	0.9961	10.50	1.66	12.15	192.	319.
1984	11.5	1,429.	0.9740	11.48	1.34	12.79	112.	150.
1983	12.5	1,980.	0.9431	12.44	1.04	13.42	147.	154.
1982	13.5	2,242.	0.9021	13.36	0.77	14.06	159.	123.
1981	14.5		1.0000	14.32	0.55	14.86		
1980	15.5	3,944.	0.7888	15.21	0.50	15.60	253.	126.
1979	16.5		1.0000					
1978	17.5		1.0000					
1977	18.5		1.0000					
1976	19.5		1.0000					
1975	20.5		1.0000					
1974	21.5		1.0000					
1973	22.5		1.0000					
1972	23.5		1.0000					
1971	24.5		1.0000					
1970	/Prior							
		47,625.					4,788.	17,032.

## AVG SERVICE LIFE:

TOT B/TOT G 9.94651

## AVG REMAINING LIFE:

TOT H/TOT G 3.55715

## COMPUTED GROSS ADDS:

SUM OF (B/C)

49,091.

## AVG PROPORTION SURVIVING:

B/ SUM OF (B/C)

0.97014

\*\* From Table 2, Column I

COMPANY: INDIANTOWN TELEPHONE SYSTEM

ACCOUNT: 2411.0 POLES

ACCOUNT PARAMETER SUMMARY

	EFFECTIVE 1-1-93	PROPOSAL 1-1-96
	<hr/>	<hr/>
INVESTMENT BALANCE (\$)		
FORM M		17,687
ADJUSTMENT		
STUDY	18,472	17,687
% OF TOT. DEPR. PLANT		0.16
DEPR. RESERVE (\$)		
BOOK		15,664
ADJUSTMENT		
STUDY	13159	15,664
(%)	71.24%	88.56%
P LIFE/AYFR (YR)	20.0	20.0
CURVE	L1	L1
WHOLE LIFE (YR)	21.0	22.4
AVG NET SALV. (%)		-30.0
WL RATE (%)		5.8
COMPOSITE REM LIFE (YR)	11.1	9.8
FUT. NET SALV. (%)	-30.0	-30.0
COMPOSITE RL RATE (%)	5.3	4.2

Date: 06-26-1996

Company : INDIANTOWN TEL. SYSTEM

ACCOUNT : 24110

CATEGORY : POLES

TABLE 2 - VG

Generation Arrangement  
Development of Vintage Realized Life and Vintage Remaining Life

Experience as of 1-1-1996

Vintage	Age	Vintage Additions	Amount Surviving	Retn. Ratio	Prop. Surv.	Relx. Life	Life Table	R/L	R/L
								Orig Plant	Survvs.
N	A	B	C	D=	E=	F	G	H	I=
				(B-C)/B	1-D	*		**	N/G+.5
1995	0.5				1.0000	0.50	0.9984	19.00	19.53
1994	1.5				1.0000	1.50	0.9938	18.01	18.62
1993	2.5				1.0000	2.50	0.9866	17.02	17.75
1992	3.5				1.0000	3.50	0.9763	16.05	16.93
1991	4.5				1.0000	4.50	0.9625	15.08	16.17
1990	5.5				1.0000	5.50	0.9447	14.14	15.47
1989	6.5				1.0000	6.50	0.9228	13.22	14.82
1988	7.5				1.0000	7.50	0.8969	12.32	14.24
1987	8.5	1,309.	1,189.	0.0917	0.9083	8.45	0.8673	11.45	13.70
1986	9.5	213.	188.	0.1155	0.8845	9.35	0.8345	10.62	13.22
1985	10.5				1.0000	10.29	0.7993	9.82	12.78
1984	11.5	2,671.	2,216.	0.1702	0.8298	11.21	0.7626	9.06	12.37
1983	12.5				1.0000	12.12	0.7254	8.33	11.98
1982	13.5	349.	268.	0.2312	0.7688	13.01	0.6882	7.64	11.60
1981	14.5	25.	18.	0.2627	0.7373	13.76	0.6512	6.99	11.23
1980	15.5	1,587.	1,120.	0.2942	0.7058	14.48	0.6145	6.38	10.88
1979	16.5	751.	506.	0.3256	0.6744	15.17	0.5783	5.80	10.53
1978	17.5	1,121.	721.	0.3568	0.6432	15.83	0.5426	5.26	10.19
1977	18.5	835.	511.	0.3878	0.6122	16.46	0.5076	4.75	9.85
1976	19.5	762.	443.	0.4185	0.5815	17.05	0.4733	4.27	9.53
1975	20.5	763.	421.	0.4488	0.5512	17.62	0.4399	3.83	9.22
1974	21.5	780.	407.	0.4786	0.5214	18.16	0.4075	3.43	8.91
1973	22.5	10,801.	5,316.	0.5079	0.4921	18.66	0.3762	3.05	8.61
1972	23.5	9,411.	4,362.	0.5365	0.4635	19.14	0.3460	2.70	8.32
1971	24.5				1.0000		0.3170	2.39	8.03
1970	/Prior								

\* Sum E to Vintg. minus 1, plus 1/2 Vint. E

\*\* Sum G Vint. plus 1 to G=0

Survivors by Iowa-Curve L1 23.7

Projection by Iowa-Curve L1 20

Date: 06-26-1996

Company : INDIANTOWN TEL. SYSTEM

ACCOUNT : 24110

CATEGORY : POLES

TABLE 1 - VG

Generation Arrangement  
Development of Average Remaining Life and Average Service Life

Experience as of 1-1-1996

Vin- tage	Age	Amount Surviving	Prop. Surv.	Relz. Life	R/L Years	A/L Years	A/L Weights	Rem.Life Weights
N	A	B	C	D	E	F=	G=	H=
					**	C+E+D	B/F	E*G
1995	0.5		1.0000	0.50	19.53	20.03		
1994	1.5		1.0000	1.50	18.62	20.12		
1993	2.5		1.0000	2.50	17.75	20.25		
1992	3.5		1.0000	3.50	16.93	20.43		
1991	4.5		1.0000	4.50	16.17	20.67		
1990	5.5		1.0000	5.50	15.47	20.97		
1989	6.5		1.0000	6.50	14.82	21.32		
1988	7.5		1.0000	7.50	14.24	21.74		
1987	8.5	1,189.	0.9083	8.45	13.70	20.90	57.	780.
1986	9.5	188.	0.8845	9.35	13.22	21.05	9.	118.
1985	10.5		1.0000	10.29	12.78	23.08		
1984	11.5	2,216.	0.8298	11.21	12.37	21.48	103.	1,277.
1983	12.5		1.0000	12.12	11.98	24.11		
1982	13.5	268.	0.7688	13.01	11.60	21.93	12.	142.
1981	14.5	18.	0.7373	13.76	11.23	22.04	1.	9.
1980	15.5	1,120.	0.7058	14.48	10.88	22.16	51.	550.
1979	16.5	506.	0.6744	15.17	10.53	22.27	23.	239.
1978	17.5	721.	0.6432	15.83	10.19	22.38	32.	328.
1977	18.5	511.	0.6122	16.46	9.85	22.49	23.	224.
1976	19.5	443.	0.5815	17.05	9.53	22.60	20.	187.
1975	20.5	421.	0.5512	17.62	9.22	22.70	19.	171.
1974	21.5	407.	0.5214	18.16	8.91	22.80	18.	159.
1973	22.5	5,316.	0.4921	18.66	8.61	22.90	232.	1,998.
1972	23.5	4,362.	0.4635	19.14	8.32	23.00	190.	1,577.
1971	24.5		1.0000		8.03			
1970	/Prior							
			17,687.				788.	7,760.

## AVG SERVICE LIFE:

TOT B/TOT G 22.44278

## AVG REMAINING LIFE:

TOT H/TOT G 9.84625

## COMPUTED GROSS ADDS:

SUM OF (B/C)

31,378.

## AVG PROPORTION SURVIVING:

B/ SUM OF (B/C)

0.56368

\*\* From Table 2, Column I



COMPANY: INDIANTOWN TELEPHONE COMPANY

ACCOUNT: 2411.0 POLE LINES

ACCOUNT RESERVE SUMMARY

ACTIVITY YEAR	CHARGES		CREDITS		OTHER (NET) ENTRIES	YEAR END 3100 BALANCE
	RETIRE	OTHER *	ACCRUALS	OTHER **		
1985						14,170
1986	438	424	1,724			15,032
1987			2,280			17,312
1988			2,376			19,688
1989	548		2,374			21,514
1990	4,785	90	2,546			19,185
1991	1,492	1,622	2,341			18,412
1992	1,195	310	2,272			19,179
1993	602		1,410			19,987
1994	182	150	1,092		(6,020)	14,727
1995			937			15,664

\* INCLUDES COST OF REMOVAL

\*\* INCLUDES SALVAGE

	RETIRE \$	COR \$	OR %	SALV \$	SALV %	NET %
3 YEARS '93 THRU '95	784	150	19.1%	0	0.0%	-19.1%
0 YEARS '86 THRU '95	9242	2596	28.1%	0	0.0%	-28.1%



COMPANY: INDIANTOWN TELEPHONE SYSTEM

ACCOUNT: 2421.4 AERIAL CABLE-FIBER

ACCOUNT PARAMETER SUMMARY

	<u>EFFECTIVE</u> 1-1-93	<u>PROPOSAL</u> 1-1-96
INVESTMENT BALANCE (\$)		
FORM M		0
ADJUSTMENT		
STUDY	0	0
% OF TOT. DEPR. PLANT		0.00
DEPR. RESERVE (\$)		
BOOK		0
ADJUSTMENT		
STUDY	0	0
(%)	0.00%	0.00%
P LIFE/AYFR (YR)	20.0	20.0
CURVE	S1	S1
WHOLE LIFE (YR)	20.0	20.0
AVG NET SALV. (%)	-15.0	-25.0
WL RATE (%)	5.8	6.3
COMPOSITE REM LIFE (YR)	20.0	20.0
FUT. NET SALV. (%)	-15.0	-25.0
COMPOSITE RL RATE (%)	5.8	6.3

COMPANY: INDIANTOWN TELEPHONE SYSTEM

ACCOUNT: 2423.2 BURIED CABLE-METAL-FILLED

ACCOUNT PARAMETER SUMMARY

	EFFECTIVE 1-1-93	PROPOSAL 1-1-96
	<hr/>	<hr/>
INVESTMENT BALANCE (\$)		
FORM M		4,381,946
ADJUSTMENT		
STUDY	3,952,423	4,381,946
% OF TOT. DEPR. PLANT		38.64
DEPR. RESERVE (\$)		
BOOK		1,947,026
ADJUSTMENT		
STUDY	1364511	1,947,026
(%)	34.53%	44.43%
P LIFE/AYFR (YR)	2017.0	
CURVE	S1 16YR	S1 17YR
WHOLE LIFE (YR)	16.3	17.3
AVG NET SALV. (%)		-5.0
WL RATE (%)		6.1
COMPOSITE REM LIFE (YR)	11.0	10.6
FUT. NET SALV. (%)	-5.0	-5.0
COMPOSITE RL RATE (%)	6.4	5.7

Date: 06-26-1996

Company : INDIANTOWN TEL. SYSTEM

ACCOUNT : 24232

CATEGORY : BURIED CABLE-METALLIC

TABLE 2 - VG

Generation Arrangement  
Development of Vintage Realized Life and Vintage Remaining Life

Experience as of 1-1-1996

Vintage	Age	Vintage Additions	Amount Surviving	Retm. Ratio	Prop. Surv.	Relm. Life	Life Table	R/L	R/L
								Orig Plant	Survvs.
N	A	B	C	D=	E=	F	G	H	I=
				(B-C)/B	1-D	*		**	H/G+.5
1995	0.5	189,619.	189,125.	0.0026	0.9974	0.50	0.9999	16.00	16.50
1994	1.5	199,528.	197,833.	0.0085	0.9915	1.49	0.9989	15.00	15.52
1993	2.5	261,734.	257,679.	0.0155	0.9845	2.48	0.9954	14.01	14.57
1992	3.5	374,872.	365,975.	0.0237	0.9763	3.46	0.9887	13.02	13.67
1991	4.5	258,980.	250,333.	0.0334	0.9666	4.43	0.9780	12.04	12.81
1990	5.5	511,580.	488,742.	0.0446	0.9554	5.39	0.9628	11.08	12.00
1989	6.5	576,792.	543,514.	0.0577	0.9423	6.34	0.9430	10.13	11.25
1988	7.5	158,243.	146,731.	0.0727	0.9273	7.28	0.9184	9.21	10.53
1987	8.5	148,744.	135,352.	0.0900	0.9100	8.20	0.8892	8.33	9.86
1986	9.5	165,635.	147,446.	0.1098	0.8902	9.10	0.8554	7.47	9.23
1985	10.5	93,115.	80,793.	0.1323	0.8677	9.98	0.8174	6.65	8.64
1984	11.5	764,353.	643,699.	0.1579	0.8421	10.83	0.7755	5.88	8.08
1983	12.5	188,286.	153,141.	0.1867	0.8133	11.66	0.7303	5.15	7.55
1982	13.5	319,931.	249,862.	0.2190	0.7810	12.46	0.6822	4.46	7.05
1981	14.5	119,787.	89,228.	0.2551	0.7449	13.22	0.6318	3.83	6.57
1980	15.5	169,378.	119,392.	0.2951	0.7049	13.94	0.5797	3.25	6.11
1979	16.5	179,407.	118,570.	0.3391	0.6609	14.63	0.5267	2.73	5.68
1978	17.5	169,527.	103,931.	0.3869	0.6131	15.26	0.4733	2.25	5.26
1977	18.5	70,416.	39,551.	0.4383	0.5617	15.85	0.4203	1.83	4.86
1976	19.5	81,754.	41,471.	0.4927	0.5073	16.38	0.3682	1.46	4.48
1975	20.5	41,709.	18,795.	0.5494	0.4506	16.86	0.3178	1.15	4.11
1974	21.5				1.0000	17.39	0.2697	0.88	3.75
1973	22.5				1.0000	18.59	0.2245	0.65	3.41
1972	23.5	2,800.	782.	0.7205	0.2795	19.23	0.1826	0.47	3.07
1971	24.5				1.0000		0.1446	0.33	2.75
1970 /Prior									

\* Sum E to Vintg. minus 1, plus 1/2 Vint. E

\*\* Sum G Vint. plus 1 to G=0

Survivors by Iowa-Curve R2 18.9

Projection by Iowa-Curve S1 17

Date: 06-26-1996

Company : INDIANTOWN TEL. SYSTEM

ACCOUNT : 24232

CATEGORY : BUREAU CABLE-METALLIC

TABLE 1 - VG

Generation Arrangement  
Development of Average Remaining Life and Average Service Life

Experience as of 1-1-1996

Vin- tage	Age	Amount Surviving	Prop. Surv.	Relx. Life	R/L Years	A/L Years	A/L Weights	Rem.Life Weights
H	A	B	C	D	E	F=	G=	H=
					**	C+E+D	B/F	E*G
1995	0.5	189,125.	0.9974	0.50	16.50	16.96	11,153.	184,042.
1994	1.5	197,833.	0.9915	1.49	15.52	16.88	11,720.	181,878.
1993	2.5	257,679.	0.9845	2.48	14.57	16.83	15,315.	223,137.
1992	3.5	365,975.	0.9763	3.46	13.67	16.80	21,780.	297,646.
1991	4.5	250,333.	0.9666	4.43	12.81	16.82	14,887.	190,707.
1990	5.5	488,742.	0.9554	5.39	12.00	16.86	28,985.	347,932.
1989	6.5	543,514.	0.9423	6.34	11.25	16.94	32,085.	360,820.
1988	7.5	146,731.	0.9273	7.28	10.53	17.04	8,629.	90,677.
1987	8.5	135,352.	0.9100	8.20	9.86	17.17	7,882.	77,746.
1986	9.5	147,446.	0.8902	9.10	9.23	17.32	8,515.	78,622.
1985	10.5	80,793.	0.8677	9.98	8.64	17.47	4,624.	39,951.
1984	11.5	643,699.	0.8421	10.83	8.08	17.63	36,504.	294,904.
1983	12.5	153,141.	0.8133	11.66	7.55	17.80	8,605.	64,951.
1982	13.5	249,862.	0.7810	12.46	7.05	17.96	13,914.	98,029.
1981	14.5	89,228.	0.7449	13.22	6.57	18.11	4,927.	32,357.
1980	15.5	119,392.	0.7049	13.94	6.11	18.25	6,542.	39,981.
1979	16.5	118,570.	0.6609	14.63	5.68	18.38	6,452.	36,627.
1978	17.5	103,931.	0.6131	15.26	5.26	18.49	5,622.	29,574.
1977	18.5	39,551.	0.5617	15.85	4.86	18.58	2,129.	10,349.
1976	19.5	41,471.	0.5073	16.38	4.48	18.66	2,223.	9,955.
1975	20.5	18,795.	0.4506	16.86	4.11	18.72	1,004.	4,127.
1974	21.5		1.0000	17.59	3.75	21.34		
1973	22.5		1.0000	18.59	3.41	22.00		
1972	23.5	782.	0.2795	19.23	3.07	20.09	39.	120.
1971	24.5		1.0000		2.75			
1970	/Prior							
		4,381,946.			253,518.			2,694,130.

## AVG SERVICE LIFE:

TOT B/TOT G 17.28458

## AVG REMAINING LIFE:

TOT H/TOT G 10.62699

## COMPUTED GROSS ADDS:

SUM OF (B/C) 5,046,190.

## AVG PROPORTION SURVIVING:

B/ SUM OF (B/C) 0.86837

\*\* From Table 2, Column I