

## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of )  
 The Mid-Continent Telephone Corporation ) Case No. 82-284-TP-AAM  
 to Establish a New Accrual Rate (Computer )  
 and Data Equipment). )

ENTRY

The Commission, coming now to consider the above-entitled matter, finds that:

- (1) Applicant, The Mid-Continent Telephone Corporation, has the following operating affiliates in Ohio: The Western Reserve Telephone Company, Western Ohio Telephone Company, The Newark Telephone Company, and The Elyria Telephone Company. These companies are telephone companies as defined by Section 4905.03(A)(3) Revised Code and public utilities as defined by Section 4905.02 Revised Code. Therefore, Applicant is subject to the jurisdiction of this Commission.
- (2) Section 4905.18, Revised Code, provides in pertinent part:  

Every public utility shall carry a proper and adequate depreciation or deferred maintenance account, whenever the public utilities commission, after investigation, determines that a depreciation account can be reasonably required. The commission shall ascertain, determine, and prescribe what are proper and adequate charges for depreciation of the several classes of property for each public utility... The commission may prescribe such changes in such charges for depreciation as it finds necessary.
- (3) On February 12, 1982, the Applicant filed an application for the purpose of establishing a depreciation accrual rate for Sub-Account No. 261.2 -Computer and Data Equipment.
- (4) After reviewing this application and its supporting evidence, the Commission Staff performed an independent investigation. The Staff recommended, and the Applicant agreed to, a net salvage value of 8.5% and an average service life of 8.2 years producing a 11.16% annual depreciation accrual rate. These figures are based on the current state average.
- (5) The Applicant and the Commission Staff agreed that the Sub-Account No. 261.2 - Computer and Data Equipment will include new installations and the transfer to Account 261.2 of all computer equipment that has been previously booked in different accounts due to related functions.
- (6) The Staff recommends the adoption of this rate by this Commission.

It is, therefore,

ORDERED, That the accrual rate of 11.16% be prescribed as a proper and adequate charge for depreciation of Applicant's Sub-Account No. 261.2 - Computer and Data Equipment. It is, further,

ORDERED, That the average service life be estimated at 8.2 years with the net salvage value of 8.5%. It is, further,

ORDERED, That the said accrual rate be made effective as of January 1, 1982, and will include new installations as well as the transfer of all computer equipment that has been previously booked in different accounts due to related functions. It is, further,

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ORDERED, That a copy of this Entry be served upon each party of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

\_\_\_\_\_  
Chairman

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Commissioners

DK:ss



# ROUTE SLIP

SUBJECT The Mid-Continent Telephone Company Case No. 82-284-TP-AAM			
TO Bill Fox			
FROM Dave Kirk <i>DK</i>		DATE 2/24/82.	
PURPOSE		<input type="checkbox"/> Circulate To	Initial Date
<input type="checkbox"/> Action			
<input type="checkbox"/> Approval			
<input type="checkbox"/> As Requested			
<input type="checkbox"/> Comment			
<input checked="" type="checkbox"/> Information		Attached ENTRY.	
<input type="checkbox"/> File			
<input type="checkbox"/> For Follow up on			
<input type="checkbox"/> Reply <input type="checkbox"/> Direct <input type="checkbox"/> From me			
<input type="checkbox"/> Return to			
<input type="checkbox"/> See me			
<input type="checkbox"/> Signature			
<input checked="" type="checkbox"/> Other — See Remarks			
REMARKS Attached is a copy of the ENTRY as approved by Helen Liebman of the Legal Dept. It will be on the Commission Agenda on 3-3-82.			

GEN 1008

OVER ☐