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Decision 96-10-022 October 9, 1996

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Annual )  
 Depreciation Application of )  
 Citizens Telecommunications )  
 Company of California Inc. )  
 (U 1024 C) )

~~CONFIDENTIAL~~  
 Application 96-07-023  
 (Filed July 1, 1996)

O P I N I O N

On July 1, 1996, Citizens Telecommunications Company of California Inc. (CTC-California) filed its first annual depreciation application, in compliance with Decision (D.) 95-11-024. Notice of the application was published in the Commission's Daily Calendar on July 22, 1996. No protests were filed.

D.95-11-024 approves a new intrastate rate structure and new regulatory framework (NRF) for CTC-California. Further, D.95-11-024 directs CTC-California to file an annual depreciation application by June 30 of each year<sup>1</sup> for approval of depreciation rates to become effective January 1 of the following year. By this depreciation application, CTC-California requests Commission authorization to maintain the same depreciation rates for calendar year 1997 as established in D.95-11-024.

We approve CTC-California's request. CTC-California's current depreciation rates, rate structure and NRF were adopted only after lengthy and detailed hearings and review. The existing rates, rate structure and NRF have only been operative for a few months (since January 1, 1996). The effect on CTC-California's depreciation rates from upcoming local competition and other

<sup>1</sup> June 30, 1996 was a Sunday. The application was filed timely on Monday, July 1, 1996. (Rule 8.13.)

ongoing Commission proceedings is unknown. Therefore, it is reasonable to continue the depreciation rates approved in D.95-11-024.

Findings of Fact

1. On July 1, 1996, CTC-California applied, pursuant to D.95-11-024, for approval to maintain the same depreciation rates for the calendar year beginning January 1, 1997 as established in D.95-11-024.

2. The application was noticed in the Commission's Daily Calendar on July 22, 1996.

3. No protests were filed.

4. It is reasonable to continue the depreciation rates approved in D.95-11-024 for the year beginning January 1, 1997 because the current depreciation rates, rate structure and NRF were approved only after lengthy and detailed hearings and review; the existing rates, rate structure and NRF have only been operative for a few months (since January 1, 1996); and because the effect on CTC-California's depreciation rates from upcoming local competition and other ongoing Commission proceedings is unknown.

Conclusion of Law

CTC-California's application for approval to maintain the same depreciation rates for 1997 as established in D.95-11-024 should be approved.

ORDER

IT IS ORDERED that the application of Citizens Telecommunications Company of California Inc. to maintain the same depreciation rates for the calendar year beginning January 1, 1997 as established in Decision 95-11-024 is approved. This proceeding is closed.

This order becomes effective 30 days from today.

Dated October 9, 1996, at San Francisco, California.

P. GREGORY CONLON  
President  
DANIEL Wm. FESSLER  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
JOSIAH L. NEEPER  
Commissioners