

Intrastate Depreciation Rates Effective 1/1/2004 - Public Counsel Proposal
(0 Future Net Salvage)

Acct	Description	Projected 1/1/2004 Plant Balance a	Projected 1/1/2004 Reserve Balance b	Current Rate c	Expense d=a*c	Curve e	ELG f	Proj Life g	ARL h	FNS i	RR j=b/a	2004 Rate k=(100-i-j)/h	2004 Expense l=a*k	Change m=l-d
2112	Motor Vehicles	14,139,582	5,643,990	4.6	650,421	L3	1995	8	3.6	0	39.9	16.7	2,361,310	1,710,889
2114	Tools & Other Work Eq	26,421,413	16,660,588	10.0	2,642,141	S1	1995	12	5.2	0	63.1	7.1	1,875,920	(766,221)
2121	Buildings	195,115,527	36,274,239	2.7	5,268,119	R2	1995	43	28.6	0	18.6	2.8	5,463,235	195,116
2122	Furniture	6,889,221	5,298,485	9.9	682,033	R2	1995	15	3.9	0	76.9	5.9	406,464	(275,569)
2123.1	Office Support Eq	842,461	387,620	26.7	224,937	R2	1995	10	2.4	0	46.0	22.4	188,711	(36,226)
2123.2	Company Comm Eq	11,484,864	9,208,810	10.0	1,148,486	R1.5	1995	8	2.7	0	80.2	7.3	838,395	(310,091)
2124	Computers	26,012,845	19,255,803	6.5	1,690,835	L1	1995	6	2.1	0	74.0	12.4	3,225,593	1,534,758
2212	Digital Switching	498,192,173	183,359,059	7.5	37,364,413	R2.5	1995	13.5	6.0	0	36.8	10.5	52,310,178	14,945,765
2220	Operator Systems	66,445	50,597	7.2	4,784	R1.5	1995	10	3.2	0	76.1	7.5	4,983	199
2231	Radio Systems	8,538,010	6,551,597	13.9	1,186,783	R2	1995	10	2.6	0	76.7	9.1	776,959	(409,824)
2232	Circuit Equipment	525,763,746	225,106,917	10.3	54,153,666	L1	1995	11	5.7	0	42.8	10.1	53,102,138	(1,051,528)
2362	Other Terminal Eq	14,976,410	14,765,735	12.3	1,842,098	R1.5	1995	8	2.7	0	98.6	0.5	74,882	(1,767,216)
2411	Poles	45,939,329	23,008,822	7.0	3,215,753	L0	1995	30	17.6	0	50.1	2.8	1,286,301	(1,929,452)
2421.1	Aerial Cable-Metallic	210,321,158	130,458,286	5.0	10,516,058	L1	1995	20	10.4	0	62.0	3.6	7,571,562	(2,944,496)
2421.2	Aerial Cable-Non Metallic	13,044,783	3,870,546	4.7	613,105	L1	1995	25	15.1	0	29.7	4.7	613,105	-
2422.1	U.G. Cable - Metallic	257,568,891	128,967,373	5.2	13,393,582	R2	1995	25	13.7	0	50.1	3.6	9,272,480	(4,121,102)
2422.2	U.G. Cable - Non Metallic	43,023,053	12,453,542	4.7	2,022,083	L1	1995	25	15.2	0	28.9	4.7	2,022,083	-
2423.1	Buried Cable-Metallic	410,204,278	203,742,348	4.7	19,279,601	L2	1995	20	10.2	0	49.7	5.0	20,510,214	1,230,613
2423.2	Buried Cable-Non Metallic	20,507,449	6,515,327	5.0	1,025,372	L1	1995	25	15.0	0	31.8	4.6	943,343	(82,029)
2424	Submarine Cable	1,372,709	1,054,170	4.1	56,281	R3	1995	22	5.6	0	76.8	4.2	57,654	1,373
2426	Intrabldg Cable	151,712	144,274	1.6	2,427	L0.5	1995	20	9.7	0	95.1	0.5	759	(1,668)
2441	Conduit Systems	147,228,969	39,494,071	2.3	3,386,266	R3	1995	50	34.0	0	26.8	2.2	3,239,037	(147,229)
		2,477,805,028	1,072,272,199	6.5	160,369,244						43.3	6.7	166,145,306	5,776,062
	INTRASTATE													4,327,599

Note: 2114, 2115 & 2116 combined to 2114
2431 combined with 2421.1

Definitions

Curve (column e) - prescribed by UTC
 ELG (column f) - Equal Life Group, start year prescribed by UTC
 Proj Life (column g) - Projection Life - Public Counsel Proposed (Exhibit____(CWK-4))
 ARL (column h) - Average Remaining Life
 FNS (column i) - Future Net Salvage
 RR (column j) - Reserve Ratio
 INTRASTATE = Total * .74923 (based on the ratio of \$48.4 million intrastate depreciation expense to \$64.6 million total state expense in the testimony of Anthony J Fleisch, page 4)