Exhibit No.:	
Issues:	*Accounting Schedules*
Witness:	*MoPSC Accountants*
Sponsoring Party:	*MoPSC Staff*
Case No.:	*TC-2002-1076*
Date Prepared:	*August 5, 2002*

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

BPS TELEPHONE COMPANY

CASE NO. TC-2002-1076

STAFF ACCOUNTING SCHEDULES

Jefferson City, Missouri
August 2002

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Case: TC-02-076
Test year ending 12/31/01

Revenue Requirement

Line			11.19% Return
	(A)		(B)
1	Net Orig Cost Rate Base (Sch 2)	$	2,545,437
2	Rate of Return		11.19%
3	Net Operating Income Requirement	$	284,834
4	Net Income Available (Sch 8)	$	846,442
5	Additional NOIBT Needed	$	(561,608)
6	Income Tax Requirement (Sch 10)		
7	Required Current Income Tax	$	153,994
8	Test Year Current Income Tax	$	490,391
9	Additional Current Tax Required	$	(336,397)
10	Required Deferred ITC	$	0
11	Test Year Deferred ITC	$	0
12	Additional Deferred ITC Required	$	0
13	Total Additional Tax Required	$	(336,397)
14	Gross Revenue Requirement	$	(898,005)

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Rate Base

Line	Description	Amount
	(A)	(B)
1	Total Plant in Service (Sch 3)	$ 4,763,485
	Subtract from Total Plant	
2	Depreciation Reserve (Sch 6)	$ 2,151,549

3	Net Plant in Service	$ 2,611,936
	Add to Net Plant in Service	
4	Cash Working Capital (Sch)	$ 0
5	Materials and Supplies-Exempt	18,487
6	Prepaid Expenses	48,564
	Subtract from Net Plant	
7	Federal Tax Offset 0.0000 %	$ 0
8	State Tax Offset 0.0000 %	0
9	City Tax Offset 0.0000 %	0
10	Interest Expense Offset 0.0000 %	0
11	Customer Advances for Construction	0
12	Contribution in aid of Construction	0
13	Deferred Income Taxes-	112,884
14	Customer Deposits	20,666

15	Total Rate Base	$ 2,545,437
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Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment		Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)		(F)
		Detail Accounts						
1	2111.000	Land	$ 20,376	$ 0	64.7186	$ 0		$ 13,187
2	2112.000	Motor Vehicles	174,716	0	64.7186	0		113,074
3	2116.000	Other Work Equipment	57,968	0	64.7186	0		37,516
4	2121.000	Buildings	519,330	0	64.7186	0		336,103
5	2122.000	Furniture	25,469	0	64.7186	0		16,483
6	2123.000	Office Equipment	36,522	0	64.7186	0		23,637
7	2124.000	General Purpose Computers	199,852	0	64.7186	0		129,341
8		Total	$ 1,034,233	$ 0		$ 0		$ 669,341
		Operating Plant Accounts						
9	2212.000	Digital Electronic Switching	$ 1,335,193	$ 0	33.3112	$ 0		$ 444,769
10	2232.100	Circuit Equipment-Digital	503,311	(33,392)	67.7798	0	P-1	318,510
11	2232.200	Circuit Equipment-Analog	203,005	0	67.7798	0		137,596
12	2411.000	Poles	269,479	0	73.4139	0		197,835
13	2421.200	Aerial Cable-Metallic	847,595	0	73.4139	0		622,253
14	2423.000	Buried Cable - Metallic	2,687,722	0	73.4139	0		1,973,162
15	2423.100	Buried Cable - Fiber Optic	213,846	0	73.4139	0		156,993
16	2423.200	Block & Drop Buried	238,469	0	73.4139	0		175,069
17	2423.300	Buried Fiber Subscriber Cable	91,808	0	73.4139	0		67,400
18	2431.000	Aerial Wire	557	0	100.0000	0		557
19		Total	$ 6,390,985	$ (33,392)		$ 0		$ 4,094,144
		Amortizable Assets						
20	2690.000	Intangibles-Organization Costs	$ 189,889	$ 0	0.0000	$ 0		$ 0
21		Total	$ 189,889	$ 0		$ 0		$ 0
22		Total Plant In Service	$ 7,615,107	$ (33,392)		$ 0		$ 4,763,485

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Adjustments to Total Plant

Adj No	Description		Total Co Adjustment	Mo Juris Adjustment
	Circuit Equipment-Digital	P-1	$ (33,392)	
1.	To eliminate non-regulated DSL Subscriber Circuit Equipment. (McMellen)		$ (33,392)	

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Depreciation Expense

Line No	Acct	Description		Adjusted Jurisdictional	Depreciation Rate		Depreciation Expense
		(A)		(B)	(C)		(D)
		Detail Accounts					
1	2111.000	Land	$	13,187	0.0000	$	0
2	2112.000	Motor Vehicles		113,074	11.6300		13,151
3	2116.000	Other Work Equipment		37,516	7.1400		2,679
4	2121.000	Buildings		336,103	2.8600		9,613
5	2122.000	Furniture		16,483	7.1400		1,177
6	2123.000	Office Equipment		23,637	10.0000		2,364
7	2124.000	General Purpose Computers		129,341	15.6300		20,216
8		Total	$	669,341		$	49,200
		Operating Plant Accounts					
9	2212.000	Digital Electronic Switching	$	444,769	6.6700	$	29,666
10	2232.100	Circuit Equipment-Digital		318,510	10.0000		31,851
11	2232.200	Circuit Equipment-Analog		137,596	0.0000		0
12	2411.000	Poles		197,835	1.7400		3,442
13	2421.200	Aerial Cable-Metallic		622,253	2.5900		16,116
14	2423.000	Buried Cable - Metallic		1,973,162	4.1700		82,281
15	2423.100	Buried Cable - Fiber Optic		156,993	3.5700		5,605
16	2423.200	Block & Drop Buried		175,069	4.1700		7,300
17	2423.300	Buried Fiber Subscriber Cable		67,400	3.5700		2,406
18	2431.000	Aerial Wire		557	0.0000		0
19		Total	$	4,094,144		$	178,667
		Amortizable Assets					
20	2690.000	Intangibles-Organization Costs	$	0	0.0000	$	0
21		Total	$	0		$	0
22		Total Depreciation Expense	$	4,763,485		$	227,867

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Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment		Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)		(F)
		Detail Accounts						
1	2111.000	Land	$ 0	$ 0	100.0000	$ 0		$ 0
2	2112.000	Motor Vehicles	7,404	0	64.7186	0		4,792
3	2116.000	Other Work Equipment	22,704	0	64.7186	0		14,694
4	2121.000	Buildings	101,363	0	64.7186	0		65,601
5	2122.000	Furniture	6,224	0	64.7186	0		4,028
6	2123.000	Office Equipment	15,186	0	64.7186	0		9,828
7	2124.000	General Purpose Computers	70,304	0	64.7186	0		45,500
8		Total	$ 223,185	$ 0		$ 0		$ 144,443
		Operating Plant Accounts						
9	2212.000	Digital Electronic Switching	$ 641,975	$ 0	33.3112	$ 0		$ 213,850
10	2232.100	Circuit Equipment-Digital	132,865	(1,991)	67.7798	0	R-1	88,706
11	2232.200	Circuit Equipment-Analog	203,005	0	67.7798	0		137,596
12	2411.000	Poles	222,669	0	73.4139	0		163,470
13	2421.200	Aerial Cable-Metallic	627,677	0	73.4139	0		460,802
14	2423.000	Buried Cable - Metallic	1,210,161	0	73.4139	0		888,426
15	2423.100	Buried cable - Fiber Optic	26,928	0	73.4139	0		19,769
16	2423.230	Block & Drop Buried	42,558	0	73.4139	0		31,243
17	2423.300	Buried Fiber Subscriber Cable	3,660	0	73.4139	0		2,687
18	2431.000	Aerial Wire	557	0	100.0000	0		557
19		Total	$ 3,112,055	$ (1,991)		$ 0		$ 2,007,106
		Amortizable Assets						
20	2690.000	Intangibles	$ 189,889	$ 0	0.0000	$ 0		$ 0
21		Total	$ 189,889	$ 0		$ 0		$ 0
22		Total Plant In Service	$ 3,525,129	$ (1,991)		$ 0		$ 2,151,549

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Adjustments to Depreciation Reserve

Adj No	Description		Total Co Adjustment	Mo Juris Adjustment
	Circuit Equipment-Digital	R-1	$ (1,991)	
1.	To eliminate non-regulated depreciation reserve associated with DSL Subscriber Circuit Equipment. (McMellen)		$ (1,991)	

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Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment		Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)		(F)
		Operating Revenues						
1	5001.000	Local Service	$ 379,855	$ 0	100.0000	$ 0	S-6	$ 379,855
2	5040.100	Local Private Line	74,049	0	100.0000	0		74,049
3	5060.100	CABS & Misc Rev	167,908	0	100.0000	0		167,908
4	5081.000	End User Revenue-inter LATA	180,285	0	0.0000	0		0
5	5082.000	Switched Access Revenue-interLATA	1,279,252	(1,085,914)	100.0000	0	S-3	193,338
6	5083.000	Special Access Revenue-interLATA	74,410	0	0.0000	0		0
7	5084.000	End User Revenue-intraLATA	1,588,173	14,118	100.0000	0	S-4	1,602,291
8	5086.000	Special Access/Change Rev-Intralata	11,944	0	100.0000	0		11,944
9	5100.400	L/D Message Revenue	10,481	0	100.0000	0		10,481
10	5230.000	Directory Advertising	58,028	0	100.0000	0		58,028
11	5240.100	Rent Revenueent Rent Revenue	1,082	0	100.0000	0		1,082
12	5260.000	Misc Revenue	3,079	0	100.0000	0		3,079
13	5262.000	Oper Sercs, LIDB, Database 800	23,008	0	100.0000	0		23,008
14	5264.000	Other Incindental Revenue	5,762	0	100.0000	0		5,762
15	5271.000	Billing & Collection	28,783	(14,288)	100.0000	0	S-7	14,495
16	5272.000	Billing & Collection BPSLD	52,730	0	100.0000	0		52,730
17	5280.000	Non-regulated Operating Revenue	7,772	0	0.0000	0		0
18	5300.000	Uncollectibles	(3,082)	0	100.0000	0		(3,082)
19		Total	$ 3,943,519	$ (1,086,084)		$ 0		$ 2,594,968
		Operation & Maintenance Expense						
20	6100.000	Plant Specific Operating Expense	$ 474,520	$ 0	58.8108	$ 0		$ 279,069
21	6200.000	Plant Nonspecific Operating Exp	387,672	0	64.7187	0		250,896
22	6600.000	Customer Operations Expense	240,602	0	70.0334	0		168,502
23	6700.000	Corporations Expense	357,333	9,698	63.1728	0	S-5	231,864
24		Total	$ 1,460,127	$ 9,698		$ 0		$ 930,331
		Depreciation Expense						
25		Depreciation Expense	$ 431,214	$ 0	59.8777	$ (30,334)	S-2	$ 227,867
26		Cost of Removal and Salvage	0	20,347	59.8777	0	S-10	12,183
27		Total	$ 431,214	$ 20,347		$ (30,334)		$ 240,050

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Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment		Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)		(F)
		Other Operating Expenses						
28		Property Taxes	$ 126,250	$ 4,356	64.5815	$ 0	S-9	$ 84,347
29		Other Oper. Taxes	7,424	(2,148)	64.5815	0	S-8	3,407
30		Amortization Expense	9,494	0	0.0000	0		0
31		Total	$ 143,168	$ 2,208		$ 0		$ 87,754
32		Total Operating Expenses	$ 2,034,509	$ 32,253		$ (30,334)		$ 1,258,135
33		Net Income Before Taxes	$ 1,909,010	$ (1,118,337)		$ 30,334		$ 1,336,833
		Current Income Taxes						
34		Current Income Taxes	$ 620,598	$ 0	64.2097	$ 91,907	S-1	$ 490,391
35		Total	$ 620,598	$ 0		$ 91,907		$ 490,391
		Deferred Income Taxes						
36		Deferred Income Taxes	$ 0	$ 0	100.0000	$ 0		$ 0
37		Total	$ 0	$ 0		$ 0		$ 0
38		Total Income Taxes	$ 620,598	$ 0		$ 91,907		$ 490,391
39		Net Operating Income	$ 1,288,412	$ (1,118,337)		$ (61,573)		$ 846,442

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Adjustments to Income Statement

Adj No	Description		Total Co Adjustment	Mo Juris Adjustment
	Current Income Taxes	S-1		$ 91,907
1.	To annualize Current Income Tax based on current Net Income Before Taxes. (McMellen)			$ 91,907
	Depreciation Expense	S-2		$ (30,334)
1.	To annualize Depreciation Expense based on current plant in service. (McMellen)			$ (30,334)
	Switched Access Revenue-interLATA	S-3	$ (1,085,914)	
1.	To delete interstate revenue. (McMellen)		$ (1,279,252)	
2.	To adjust USF for year 2002 known and measurable changes. (McMellen)		$ 193,338	
	End User Revenue-intraLATA	S-4	$ 14,118	
1.	To normalize intrastate wireless access. (McMellen)		$ 14,118	
	Corporations Expense	S-5	$ 9,698	
1.	To disallow dues and memberships. (McMellen)		$ (8,800)	
2.	To disallow donations (McMellen)		$ (28,039)	

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Adjustments to Income Statement

Adj No	Description		Total Co Adjustment	Mo Juris Adjustment
3.	Interest on Customer Deposits. (McMellen)		$ 2,325	
4.	To annualize Payroll expense. (McMellen)		$ 42,285	
5.	To annualize Payroll Benefits. (McMellen)		$ 1,927	
	Billing & Collection	S-7	$ (14,288)	
1.	To delete non-regulated revenue. (McMellen)		$ (14,288)	
	Other Oper. Taxes	S-8	$ (2,148)	
1.	To annualize PSC assessment. (McMellen)		$ (2,148)	
	Property Taxes	S-9	$ 4,356	
1.	To annualize Property taxes. (McMellen)		$ 4,356	
	Cost of Removal and Salvage	S-10	$ 20,347	
1.	To include net cost of removal and salvage. (McMellen)		$ 20,347	

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Income Tax

Line	(A)	Test Year (B)	11.19% Return
1	Net Income Before Taxes (Sch 8)	$ 1,336,833	$ 438,828
	Add to Net Income Before Taxes		
2	Book Depreciation Expense	$ 240,050	$ 240,050
3	Total	$ 240,050	$ 240,050
	Subtr from Net Income Before Taxes		
4	Interest Expense 1.0900 %	$ 27,745	$ 27,745
5	Book Depreciation Expense	240,050	240,050
6	Total	$ 267,795	$ 267,795
7	Net Taxable Income	$ 1,309,088	$ 411,083
	Provision for Federal Income Tax		
8	Net Taxable Income	$ 1,309,088	$ 411,083
9	Deduct Missouri Income Tax 100.0 %	$ 68,638	$ 21,554
10	Deduct City Income Tax	0	0
11	Federal Taxable Income	1,240,450	389,529
12	Total Federal Tax	$ 421,753	$ 132,440
	Provision for Missouri Income Tax		
13	Net Taxable Income	$ 1,309,088	$ 411,083
14	Deduct Federal Income Tax 50.0 %	$ 210,877	$ 66,220
15	Deduct City Income Tax	0	0
16	Missouri Taxable Income	1,098,212	344,863
17	Total Missouri Tax	$ 68,638	$ 21,554

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Income Tax

Line		Test Year	11.19% Return
	(A)	(B)	
	Provision for City Income Tax		
18	Net Taxable Income	$ 1,309,088	$ 411,083
19	Deduct Federal Income Tax	$ 421,753	$ 132,440
20	Deduct Missouri Income Tax	68,638	21,554
21	City Taxable Income	818,697	257,089
22	Total City Tax	$ 0	$ 0
	Summary of Provision for Income Tax		
23	Federal Income Tax	$ 421,753	$ 132,440
24	Missouri Income Tax	68,638	21,554
25	City Income Tax	0	0
26	Total	$ 490,391	$ 153,994
	Deferred Income Taxes		
27	Deferred Investment Tax Credit	$ 0	$ 0
28	Deferred Repair Allowance	0	0
29	Deferred Tax Depreciation	0	0
30	Amort of Deferred Tax Depreciation	0	0
31	Amort of Repair Allowance	0	0
32	Amort of Deferred ITC	0	0
33	Deferred Unbilled	0	0
34	Total	$ 0	$ 0
35	Total Income Tax	$ 490,391	$ 153,994