

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20425

Office of Finance, Accounting  
and Operations

In Reply Refer To:  
OFAO-DPPD  
Docket No. AC00-7-000

Georgia Power Company  
Attention: Mr. Cliff S. Thrasher  
Vice President and Comptroller  
241 Ralph McGill Boulevard NE  
Atlanta, GA 30308-3374

COPY

JAN 18 2000

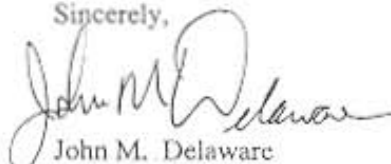
Thank you for your letter dated November 4, 1999, requesting approval to capitalize the cost of installing CableCURE, a silicone injection rehabilitation product for underground residential distribution (URD) cable.

Your request is approved on the basis that the product will be used to extend the actual useful life of significant sections of your underground distribution system beyond its initially expected estimated service life. In reaching this determination we relied on the following facts and circumstances contained in your letter as supplemented in telephone conversations with members of my staff.

You state that CableCURE is currently used as part of your cable replacement service. You indicate that CableCURE is used to rehabilitate entire segments of your underground distribution system (e.g. entire residential subdivisions as opposed to individual runs of cable between two terminal points). You assert that substantial evidence exists that supports your request to capitalize the costs of installing CableCURE. Specifically, you state that data has been collected that conclusively establishes that CableCURE extends the service life of URD cable by at least 20 years. You note that CableCURE's life extension function is guaranteed by Utilx Corporation, the licensed distributor of this product, through a twenty (20) year, full money back warranty that runs from the date that the cable is injected with this product.

This letter order constitutes final agency action. To request that the Commission rehear your case, you may file your request within 30 days of the date of this letter order (see 18 C.F.R. § 385.713).

Sincerely,

  
John M. Delaware  
Chief Accountant