

SDP Newsletter

Society of Depreciation Professionals Newsletter

Volume 9, Issue 3

Winter 1996

A Message from Your President

Pat Lee

It was great seeing all of you at the 1996 SDP Annual Meeting in Memphis. To those of you who were unable to attend, we missed you and hope to see you next year in Colorado Springs.

The Annual Meeting was two and a half days packed full of discussions, learning, and testing. I want to thank all the speakers and training instructors once again for providing such an excellent and enlightening program. The program began with an overview of regulatory changes taking place in each industry and moved on to a lively discussion on asset impairment from the perspective of telecommunications, electric and gas companies. The morning ended with a regulatory, industry, and consultant discussion of the FASB Exposure Draft regarding the accounting for removal or closure costs of long-lived assets. Lunch included a status of the Radioactive Waste Management Program and the potential containment problems associated with varying levels of future funding. The afternoon was filled with industry break-out discussion groups that proved to be very enlightening and sometimes contentious, that is if Jerry Houck was part of your group. I understand that telecommunications is willing to let Jerry join a different discussion group next year.

I received very positive feedback from you regarding the full day of training provided this year. The instructors should be commended for their time and effort in putting such an excellent training schedule together. It was great preparation for the first Certification Depreciation Professional Examination.

I hope you found the Annual meeting of value and that you also found some time to enjoy Memphis.

. . . and Parting Comments from the President

I would like to thank each of you for making this year such a rewarding experience for me. The most enjoyable part of this job was getting to know many of you better. We are extremely fortunate to be part of an organization with members so rich in experience and knowledge. Thank you all for your input and advice.

I would also like to give a special thanks to my fellow board members, committee members, and the past presidents, Susan Jensen and Jerry Weinert, for their help, advice, and assistance this year. I am pleased and honored to have had the opportunity to work with you over the last year. If it wasn't for your assistance, the SDP would not have accomplished what we did this year. You are to be congratulated for publishing the 1994-1995 SDP Journal, putting together an Annual

Meeting program filled with discussions of timely issues, coordinating a full day of certification training, developing and administering the first Certified Depreciation Professional Examination. A special thanks to Rod Daniel, a true planning expert, for all his help and hard work this year. Thank you.

I have thoroughly enjoyed the year and look forward to continuing to work with all of you in the next year. HAPPY HOLIDAYS!

Address Correction Requested SDP SUSTAINING MEMBERS

AUS Consultants

BellSouth

GTE Telephone Operations

Sprint - Local Telecom

BUSINESS SPONSORS

Frank Wolf, DPI

Ed Wotring, Wotring Assoc.

SDP PATRONS

Tom Nousaine

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Branko Terzic

SDP FRIENDS

Herb Crowhurst

Richard Lee

John Russell

Membership Renewals Are Due for 1997

Your 1997 membership dues should be submitted to the SDP office. For your convenience, an invoice is included on the back of this Newsletter. After many years of keeping the annual dues at \$30.00, dues will now be \$35.00 beginning with the 1997 membership year. In deciding to raise the amount of the dues, the Board of Directors was concerned about keeping costs down, but recognized that many fixed costs for the Society such as postage, printing, and telephone continue to go up.

Address Updates:

Please send to the SDP office any address or telephone changes which you may have had during 1996. Local area codes are changing rapidly, and many members may have moved. In addition, we would like to add e-mail addresses to the membership book, but we have only a few e-mail addresses in our database. Please send that information to the office as well. We need your updated information as soon as possible. We plan to reprint the membership book before the end of December. You can e-mail or FAX your updated information to:

RodDaniel@aol.com
or FAX: 202/966-2283

SDP Welcomes New Members

Lynanne Catron, Norfolk Southern Corporation, Roanoke, VA

Mathew DeRouen, Southwestern Bell, St Louis, MO
Jacqueline Gerald, Arizona Public Service Commission, Phoenix, AZ
Alan Laurich, Centurion Energy Corporation, Cleveland, OH
Daniel Malendro, New York Telephone, New York, NY

Journal Committee Requests Articles for the 1996-97 SDP Journal

Jerry Houck, Chair of the SDP Journal Committee, is ready to accept submissions of articles for the next SDP Journal. Abstracts and articles should be submitted in WordPerfect format to: Jerry Houck, GTE Telephone Operations, 600 Hidden Ridge, HQE01H17, Irving, TX 75038. The Journal Committee hopes to publish the new Journal in the summer of 1997. Journal submissions provide a source of professional development which will lead toward recertification for those who have become Certified Depreciation Professionals.

SDP Home Page Will Be On-Line Soon

The Home Page Committee has been working hard to develop a home page for the Society. The committee members have considered the many options available for a home page on the internet.. The Board of Directors has approved the plan and the committee hopes to have the Home Page on-line early in 1997. Among the options that our home page will offer include direct communication with the SDP office and SDP officers, industry announcements, applications for membership and the Annual Meeting. As the page develops, the content will grow based upon the needs and input of the SDP membership.

Upcoming Events

75th National Conference of Regulatory Utility Commission Engineers
June 22 - 26, 1997
East Lansing, MI
Contact: Ronald Choura
(517/334-6240)

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Support Your Society

There are four ways to support SDP. Companies may become Sustaining or Business Members. Individuals may become Patrons or Friends to SDP.
Sustaining Members \$750

Benefits: Recognition in the Journal and Newsletter and a Plaque at the Annual Conference.

Business Members \$300

Benefits: Recognition in the Journal and Newsletter

Patrons \$200

Benefits: Recognition in the Journal and Newsletter.

Friends: \$100

Benefits: Recognition in the Newsletter.

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Washington, DC 20015

SOCIETY OF DEPRECIATION PROFESSIONALS
5505 Connecticut Avenue, NW #280 Washington, DC 20015

INVOICE

MEMBERSHIP DUES JANUARY 1, 1997 - DECEMBER 31, 1997

Name _____

Professional Affiliation:

Address:

Telephone: _____ FAX: _____ E-Mail _____

Dues: \$35.00 \$_____ New___ Renewal

Sustaining Member @ \$750 \$_____

Business Sponsor @ \$300 \$_____

Patrons Donation @ \$200 \$_____

Friends Donation @ \$100 \$_____

Total Enclosed \$_____

1997 Annual Meeting Set for Colorado Springs

Make your plans now to attend the 1997 SDP Annual Meeting to be held in Colorado Springs, CO, September 22-24, 1997.

Colorado Springs will offer an improved airport with convenient flights and reasonable room rates. Look for more information, including a proposed agenda, in the next Newsletter. We hope to see you there.

First Certification Examination Held

Jerry Weinert, Certification Chair

The Society held its first examination leading to the designation of Certified Depreciation Professional (CDP) on

Wednesday October 2nd, in conjunction with the Society s 10th Annual Meeting. Twenty-five individuals took the examination with eighteen successfully passing both the ethics and technical proficiency sections of the examination with scores of 70% or more correct answers. The following table details some of the statistics of the examination:

Duration: Minimum 1:15 hours
Average 2:51 hours
Maximum 3:47 hours

	Number of Correct Questions	Answers	Total Possible Correct	Percent Correct
Ethics Section	10	224	250	89.6%
Technical Proficiency				
Accounting	25	530	625	84.8%
Life Analysis	47	879	1,175	74.8%
Salvage	15	326	375	86.9%
Forecast	10	127	250	50.8%
Accrual				
Accounting	18	393	450	87.3%
Total, Proficiency Section				
	115	2,255	2,875	78.4%

The society commends all those individuals who participated in this initial undertaking in the continued development of our Society and profession. For those individuals successfully passing the examination, the Certification Committee will review their applications and references. If all their paperwork is in order, the committee will recommend to the Society s Officers and Board of Directors that they receive the Society s Certified Depreciation Professional designation.

For those who did not participate in this examination, it will be repeated at future annual meetings. Watch the SDP Newsletter for future CDP testing locations and dates.

CDP Recertification Program

The CDP program, as approved by the Society s membership, requires those members who have attained CDP status to remain active in the profession and to re-certify within a five year period. While the members could recertify by simply repeating the certification process, re-certification can be accomplished by active participation in the profession. Active participation in the profession can be demonstrated through participation in the Society, publishing depreciation profession related papers, and attendance at Society s and compeer groups functions and meetings.

During 1997 the re-certification program and procedures will be developed and finalized. The program will be

presented to the membership in future Newsletters and at the 1997
Annual Meeting. Society of Depreciation Professionals
N e w s l e t t e r

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New SDP Board of Directors	Congratulations to the

The membership elected the 1997 Board of Directors at the Annual Meeting in Memphis, TN. The new officers will assume their posts effective January 1, 1997. The officers are:

President: William Stout, Gannett, Fleming Rate and Valuation Analysts.

Vice President: Steve Barreca, BellSouth Communications

Treasurer: Earl Robinson, AUS Consultants

Secretary: Larry Kennedy, NOVA Gas

At-Large Director: Terry Fowler, Pacific Gas & Electric

At-Large Director: David Birenbaum, Missouri Public Service Commission.

Past President: Pat Lee, Florida Public Service Commission

Bill Stout, SDP President for 1997, will be looking for volunteers to fill committee positions. One of the best ways to support the Society is to serve on a committee. Your commitment to the Society can be as a committee chair or as a member of a committee. Either way, your input is vital to the success of the Society. If you have an interest in serving on a committee, please let Mr. Stout know at your earliest convenience. 1996

Society of Depreciation Professionals

Board of Directors

President, Patricia Lee

Florida Public Service Commission

904/413-6453 FAX: 904/413-6454

Vice-President, William M. Stout, Gannett Fleming Valuation and Rate Consultants, Inc

717/763-7211 FAX: 717/763-8150

Treasurer, Ray Mason

Citizens Utilities Company

203/329-5066 FAX: 203/322-7186

Secretary, Donald Couzens

ALLTEL Service Corporation

501/661-7409 FAX: 501/558-6844

At Large Director, Terry Fowler

Pacific Gas and Electric

415/973-3630 Fax: 415/973-0453
At Large Director, Earl Robinson,
AUS Consultants
717/763-9890 FAX: 717/763-9931
Past President, Jerry Weinert
AUS Consultants
414/271-8580 FAX: 414/271-8623
Committee Chairs
Certification Committee
Jerry Weinert, AUS Consultants
414/271-8580 FAX: 414/271-8623
Coordinating Committee
Earl Robinson, AUS Consultants
717/763-9890 FAX: 717/763-9931
Depreciation Policy & Education Committee
Clarence Mouglin
Wisconsin Public Service Commission
608/267-0637 FAX: 608/266-3957
Ethics and Standards
Susan Jensen
Surface Transportation Board
202/927-6188 FAX: 202/927-6225
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Jerry Houck, GTE Telephone Operations
972/718-7352 FAX: 972/718-6320
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504/367-7000 FAX: 504/361-8554
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The Society of Depreciation Professionals Newsletter is published tri-annually. Please send your contributions to the Editor.

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