BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

)

)

In Re: Resolution by City of Fort Meade requesting extended) ORDER NO. PSC-94-0464-FOF-TL area service (EAS) from Fort Meade to the Lakeland, Winter Haven, Wauchula, Zolfo Springs, and Mulberry exchanges.

) DOCKET NO. 930978-TL) ISSUED: April 18, 1994

The following Commissioners participated in the disposition of this matter:

> J. TERRY DEASON, Chairman SUSAN F. CLARK JULIA L. JOHNSON DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION ORDER REQUIRING CUSTOMER SURVEY

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

I. Background

This Docket was initiated pursuant to a resolution submitted by the City of Fort Meade requesting extended area service (EAS) from the Fort Meade exchange to the Lakeland, Winter Haven, Wauchula, Zolfo Springs, and Mulberry exchanges. The Fort Meade, Wauchula, and Zolfo Springs exchanges are served by United and are located in the Fort Myers Market Area. The Lakeland, Winter Haven, and Mulberry exchanges are served by GTEFL and are located in the Tampa Market Area.

By Order No. PSC-93-1521-PCO-TL, issued October 15, 1993, we required United and GTEFL to conduct traffic studies on these routes.

By Order No. PSC-94-0167-FOF-TL, issued February 10, 1994, we granted GTEFL's Motion for Modification of Order No. PSC-93-1521-PCO-TL, and relieved GTEFL from the requirement of providing traffic data on the routes in this Docket (all routes in this

> DOCUMENT AD YORR-DATE 03564 APR 18 a FFSC-ACCO COMEPORTING

Docket are interLATA for GTEFL). We also determined that the aforementioned GTEFL routes would be addressed at the conclusion of our generic EAS investigation.

II. Traffic Study

Rule 25-4.060(2), Florida Administrative Code requires a calling rate of at least three M/A/Ms (Messages per Access Line per Month) in cases where the petitioning exchange contains less than half the number of access lines as the exchange to which FAS is desired. The Rule further requires that at least 50% of the subscribers in the petitioning exchange make two or more calls per month to the larger exchange to qualify for traditional EAS.

Although traffic studies were only provided by United, we find that the data is adequate for our review because the EAS request was from Fort Meade (United's territory) into Lakeland, Winter Haven, and Mulberry (GTEFL's territory). In this case it appears that most of the calling volume would be from United's exchanges to GTEFL's exchanges. Based on the calling rates provided in the traffic study, the Fort Meade/Lakeland route met our EAS requirements. None of the other routes qualified.

III. Survey

Based on the traffic data discussed above, the Fort Meade subscribers shall be surveyed for nonoptional, two-way, flat rate EAS to the Lakeland exchange at the rates set forth below. The subscriber survey shall be in compliance with Rule 25-4.063 Florida Administrative Code. The survey shall begin within forty-five (45) days of the date that this Order becomes final. United shall submit the newspaper advertisement for our staff's review prior to publication. The survey letter and ballot also shall be submitted to staff for review prior to distribution to customers. United shall submit a copy of the published newspaper advertisement and the dates run.

If the Ft. Meade survey passes, the Toll-Pac discounted toll plan on the Ft. Meade to Lakeland route shall be discontinued simultaneously with the implementation of EAS.

IV. Rates for Survey

In all recent EAS Dockets in which calling volumes were sufficient to warrant consideration of nonoptional, flat rate, toll-free calling we have approved surveys with the 25/25 additive plus regrouping rather than with regrouping alone. Under the 25/25 additive plus regrouping, subscribers are charged two additives to

their standard monthly rates. The 25/25 additive is twenty-five percent (25%) of the rate group schedule for the number of access lines to be newly included in the exchange's calling scope. The regrouping additive is the difference in rates between the exchange's original rate group and the rate group into which the exchange will fall with its expanded calling scope. The 25/25 additive is typically removed after two years or in the Company's next rate case, whichever is later.

If two-way EAS were implemented on the Fort Meade/Lakeland route, the Fort Meade exchange would move from rate group 1 to 3. As a result, the Fort Meade exchange's calling scope would increase along with local rates. Thus, United shall survey its Fort Meade subscribers for nonoptional, flat rate, two-way, toll free calling, to the Lakeland exchange at the rates calculated below:

Present	Rates	25/25 Additive	Regrouping	Total Additive	New Rate
R-1	\$ 6.47	\$ 2.00	\$ 1.51	\$ 3.51	\$ 9.98
B-1	\$15.20	\$ 4.68	\$ 3.51	\$ 8.19	\$ 23.3
PBX	\$30.40	\$ 9.37	\$ 7.07	\$ 16.44	\$ 46.84

If the survey passes, the additive shall remain in place for two years after implementation or until United's next earnings review, whichever comes later.

V. Alternative Plan

The calling rates and distribution on the remaining routes do not exhibit a sufficient community of interest; therefore no alternative toll plan is warranted.

Therefore, it is

ORDERED by the Florida Public Service Commission that the calling rate on the Fort Meade/Lakeland route is sufficient to warrant a survey for nonoptional, flat rate, two-way EAS. It is further

ORDERED that customers in the Fort Meade exchange shall be surveyed for nonoptional, flat rate, two-way EAS to the Lakeland exchange at the rates set forth in the body of this Order. The survey shall be conducted within forty-five (45) days of the date that this Order becomes final. It is further

ORDERED that United shall submit the newspaper advertisement for our staff's review prior to publication. The survey letter and ballot also shall be submitted to staff for review prior to distribution to its customers. In addition, United shall provide staff with a copy of the published newspaper advertisement and the dates that it ran. It is further

ORDERED that if the Ft. Meade survey passes, the Toll-Pac discounted toll plan on the Ft. Meade to Lakeland route shall be discontinued simultaneously with the implementation of EAS. It is further

ORDERED that nonoptional, flat rate, two-way, toll-free calling for the Fort Meade/Lakeland route shall be surveyed under the 25/25 plan with regrouping at the following monthly rates:

Residential 1-Party	Business 1-Party	PBX
\$9.98	\$23.39	\$46.84

If the survey passes, the additive shall stay in place for two years after implementation or until United's next earnings review, whichever comes later. It is further

ORDERED that no alternative toll plan is warranted on the remaining routes. It is further

ORDERED that this Docket shall remain open to conduct the required survey.

By ORDER of the Florida Public Service Commission, this <u>18th</u> day of <u>April</u>, <u>1994</u>.

BLANCA S. BAYO, Director Division of Records and Reporting

(SEAL)

CWM

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on May 9, 1994.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.