BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In Re: Resolution by St. Lucie) DOCKET NO. 950023-TL County Board of Commissioners for extended area service (EAS)) ISSUED: August 24, 1995 between the Fort Pierce (also pocket area), Jensen Beach, and Stuart exchanges.

) ORDER NO. PSC-95-1052-FOF-TL

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF PROPOSED AGENCY ACTION

ORDER DENYING EXTENDED AREA SERVICE

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.

Ι. Background

On December 15, 1994, St. Lucie County Commission filed Resolution 94-142 requesting extended area service (EAS) between the Fort Pierce, the Fort Pierce Pocket, Jensen Beach, and Stuart exchanges or changing the boundary and serve the Fort Pierce pocket area from the Port St. Lucie exchange. These exchanges are served by BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) and are located in the Southeast LATA (local access and transport area).

We required Southern Bell to conduct traffic studies on the routes requested in this docket by Order No. PSC-95-0143-FOF-TL, issued January 31, 1995. We granted Southern Bell's Motions for Extension of Time by Orders No. PSC-95-0669-PCO-TL, issued May 31, 1995, and PSC-95-0776-PCO-TL, issued June 27, 1995.

> DOCUMENT NUMBER-DATE 08205 AUG 24 8 FPSC-RECORDS/REPORTING

II. Extended Area Service

Section 364.385(2), Florida Statutes (1995), provides that all applications for extended area service, or extended calling service pending before the Commission on March 1, 1995, shall be governed by the law as it existed prior to July 1, 1995. Because this EAS resolution was pending prior to March 1, 1995, the existing EAS rules apply. Rule 25-4.060(3), 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 EAS is desired. This rule also 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.

Based on Rule 25-4.060(3), Florida Administrative Code, we find that none of the routes under consideration in this docket met the calling volume or distribution requirements to qualify for balloting for two-way, flat rate EAS.

III. Alternative Toll Plans

Historically, we considered the \$.25 calling plan on routes that met the calling rate and exhibited a substantial showing on the distribution requirement. Typically, these cases were close to meeting our requirements but fell short by a small percentage on the distribution criteria.

The calling rates on these routes do not have sufficient calling volumes or distribution to warrant an alternative toll plan. With the exception of the Fort Pierce (pocket)/Stuart route, none of the routes met either the 3 M/A/M requirement or the distribution criteria.

Even though the calling rates on the Fort Pierce (pocket)/ Stuart route met the M/A/M requirement for EAS, the distribution factor fell short of the 50% requirement. In addition, the Fort Pierce exchange as a whole had very little community of interest with the Stuart exchange, and the pocket consists of less than 1% of the exchange.

The resolution filed by the St. Lucie Commission states that these pocket customers are located in Port St. Lucie but are served from the Fort Pierce exchange. Because of this, these customers cannot call Jensen Beach and Stuart toll-free like the customers

located in the Port St. Lucie exchange. The St. Lucie Commission requests that EAS or a boundary change be implemented.

In cases involving pocket situations, we considered alternative plans for customers in pocket areas that were unable to access their county government, emergency services or schools tollfree because of exchange boundary constraints. This is not the case for the Fort Pierce pocket. Customers located in the pocket area have toll-free access to their county seat, schools and other governmental services. Therefore, we find that no alternative toll plan is warranted.

In addition, boundary changes, like alternative plans for pocket areas, historically have been to resolve toll calling problems within a county. We have also approved boundary change requests by local exchange companies when a subdivision is split between two exchanges. The Fort Pierce pocket does not fall into either of these categories. Typically, the expense associated with a boundary change makes it cost prohibitive. It appears that these customers are dissatisfied because they do not have the same local calling scope as Port St. Lucie. Based on the traffic study, however, the majority of these pocket customers make no calls to Stuart.

Because the community of interest between the Fort Pierce pocket and Stuart appears to be limited to a small group of customers, we find that an alternative toll plan or a boundary change is not warranted.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the resolution by St. Lucie County Board of Commissioners for extended area service between the Fort Pierce, including the pocket area, Jensen Beach, and Stuart exchanges is hereby denied for the reasons set forth in the body of this Order. It is further

ORDERED that no alternative toll plan shall be offered on any of the toll routes for the reasons stated in the body of this Order. It is further

ORDERED that the request for a boundary change is hereby denied for the reasons stated in the body of this Order. It is further

ORDERED that this Order shall become final and effective on the date set forth below if no timely protest is filed pursuant to the requirements set forth below. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this <u>24th</u> day of <u>August</u>, <u>1995</u>.

BLANCA S. BAYÓ, Director Division of Records and Reporting

by: Kar Chief, Byreau of Records

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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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on <u>September 14</u>, 1995.

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 substantially 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.