FLORIDA PUBLIC SERVICE COMMISSION Capital Circle Office Center • 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0550

MEMORANDUM

April 4, 1996

TO: DIRECTOR, DIVISION OF RECORDS AND AEPORTING (BAYO)

PROM: DIVISION OF COMMUNICATIONS (SHELFER, WIDELL)

DIVISION OF LEGAL SERVICES (CANZANO)

RE: DOCKET NO. 950699-TL - RESOLUTION BY CITY COMMISSION OF

HAINES CITY REQUESTING EXTENDED AREA SERVICE (EAS) FROM

HAINES CITY EXCHANGE TO ALL EXCHANGES WITHIN POLK COUNTY.

AGENDA: APRIL 16, 1996 - REGULAR AGENDA - PROPOSED AGENCY ACTION

- INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\950699TL.RCM

CASE BACKGROUND

EXCHANGE INFORMATION:

- This docket was initiated pursuant to Resolution No. 627 filed on May 18, 1995, by the City of Haines City requesting extended area service (EAS) from the Haines City exchange to all exchanges within Polk County. The Haines City, Lakeland, Bartow and Mulberry exchanges are served by GTE Florida Incorporated (GTEFL) and are located in the Tampa Market Area. The Fort Meade, Avon Park, and Bowling Green exchanges are served by United Telephone of Florida (United) and are located in the Fort Myers Market Area. Attachment A contains pertinent exchange data, and Attachment B is a map of the involved exchanges.
- GTEFL was not ordered to conduct traffic studies on the interLATA routes since it no longer performs billing services for AT&T.

U3914 APR-48

PERTINENT ORDERS:

By Ordε No. PSC-95-1429-PCO-TL, issued November 17, 1995, the Commission ordered GTEFL to conduct traffic studies on the intraLATA routes involved in this docket. The Company has requested confidential treatment of its intraLATA traffic data.

DEMOGRAPHIC DESCRIPTION (provided by GTEFL)

- The Haines City exchange is located in the northeast portion of Polk County, which includes the towns and communities of Haines City, Dundee, Davenport, Loughman, and Polo Park. The Haines City exchange is an area of mixed development. economic base consists of small service-oriented businesses, retail stores, and businesses related to the citrus industry. Population varies depending on the season.
- The Bartow exchange is located in the south-central area of Polk County. Bartow is the site of the county governmental headquarters, with judicial, law enforcement, school board and administrative services located in close proximity.
- Information was not provided on the Lakeland and Mulberry exchanges.

MILEAGE DATA:

Lakeland 22 miles Haines City to: Bartow 21

27 " Mulberry

DISCUSSION OF ISSUES

ISSUE 1: Do the calling rates on anv of the routes qualify for a survey for nonoptional, flat rate, two-way extended area service (EAS)?

RECOMMENDATION: No. None of the routes qualify for a survey for nonoptional, flat rate, two-way EAS.

STAFF ANALYSIS: Section 364.385(2), Florida Statutes, 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. Proceedings including judicial review pending on July 1, 1995, shall be governed by the law as it existed prior to the date on which this section becomes law. No new proceedings governed by the law as it existed prior to January 1, 1995, shall be initiated after July 1, 1995. Any administrative adjudicatory proceeding which has not progressed to the stage of a hearing by July 1, 1995, may, with the consent of all parties and the Commission, be conducted in accordance with the law as it existed prior to January 1, 1996.

Because this EAS request was filed after March 1, 1995 but before July 1, 1995, and since all the parties agree to abide by 'he old law, the Commission's existing EAS rules should apply. In order to be considered for balloting for EAS, Rule 25-4.060(3), Florida Administrative Code, requires a calling rate of at least three messages per access line per month (M/A/Ms) 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 further requires that at least 50 percent of the subscribers i the petitioning exchange make two or more calls per month to the larger exchange to qualify for traditional EAS.

GTEFL has filed the calling volumes for these routes with a request for confidential classification. The calling rates have not been presented in this recommendation; however, the data is available for review by the Commissioners.

Because GTEPL no longer provides billing services for AT&T, interLATA traffic data was not required. Since the routes with traffic data did not indicate any community of interest, staff does not believe the additional interLATA traffic information would change the outcome of this docket.

Based on Rule 25-4.060(3), Florida Administrative Code, none of the rates under consideration in this docket meet the M/A/M or distribution requirements to qualify for a survey for two-way, flat rate EAS.

ISSUE 2: Should an alternative toll plan be considered on any of the routes in this docket?

RECOMMENDATION: No. The calling rates and distribution on the routes do not exhibit a sufficient community of interest and thus do not warrant an alternative toll plan.

STAFF ANALYSIS: The calling rates on the intraLATA routes do not have sufficient calling volumes or distribution to warrant an alternative toll plan. None of the routes met the 3 M/A/M requirement or the distribution criteria. Since the intraLATA routes which had traffic data did not indicate a community of interest, staff does not believe the additional interLATA traffic information would change the outcome of this docket.

Historically, the Commission has considered the \$.25 calling plan or ECS on routes that met the calling rate and exhibited a substantial showing on the distribution requirement. ECS rates residential calls at \$.25 per call regardless of duration, and business calls at \$.10 for the first minute and \$.06 for each additional minute. Typically, these cases were close to meeting our requirements, but fell short by a small percentage on the distribution criteria.

Recently, the Commission has approved proposals made by the local exchange companies (LECs) for alternative toll plans, such as extended calling service (ECS). Specifically, Commission has approved LECs' requests to implement ECS on routes in Docket Nos. 920260-TL (BellSouth Rate Case) and 921194-TL (Liberty County) that had calling rates and distribution factors much lower than the ones in this docket. Staff notes that the Commission's decision in Docket No. 920260-TL is on appeal at the Florida Supreme Court. This docket is distinguished from Docket Nos. 920260-TL and 921194-TL, because the local exchange company has not proposed to implement ECS or any other form of toll relief The Commission also ordered ECS on the on these routes. Belleview/Lady Lake (821) route in Docket No. 941145-TL (Request by Spruce Creek subdivision for EAS to Lady Lake (821) and Leesburg) even though the LEC did not support it.

Staff believes that the same criteria the Commission has previously used regarding EAS and ECS dockets should be applied to the decision in this docket. Generally, the Commission has required implementation of alternative toll plans when the traffic study indicated that the calling volumes met the 3 M/A/M requirement and were close to meeting the 50% distribution requirement, except for Docket 941145-TL. The Commission has also approved alternative toll plans when the LECs have proposed ECS.

Staff concludes that the calling rates on the routes studied in the recommendation do not exhibit a sufficient community of interest to warrant any form of toll relief. Therefore, staff recommends that no alternative toll plan be approved for these routes.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: Yes. With the approval of Issues 1 and 2, this docket should be closed if no protests are filed within 21 days of the issuance of the order.

STAFF ANALYSIS: With the approval of Issues 1 and 2, this docket should be closed if no protests are filed within 21 days of the issuance of the order.

ATTACHMENT A

EXCEANGE DATA					
RECHANGE	TEC	LAYA	ACCESS LINES EAS LINES	EAS CALLING	BASIC RATES
HAINES CITY (EXCEPT POINCIANA)	GTEFL	ТАМРА	25,279* 100,280**	Poinciana (427), Lake Wales, Winter Haven	R-1 \$10.68 B-1 \$27.27 PBX \$49.42
HAINES CITY (INCLUDING POINCIANA)	GTEFL	ТАМРА	1,325* 84,292**	Haines City, Kissimmee, W. Kissimmee	R-1 \$10.23 B-1 \$26.07 PBX \$48.22
LAKELAND	GTEPL	ТАМРА	107,109* 217,828**	Bartow, Mulberry, Plant City, Winter Haven	R-1 \$11.10 B-1 \$28.52 PBX \$50.67
BARTOW	QTEPL .	ТАМРА	13,782* 204,173**	Lakeland, Lake Wales, Mulberry, Pt. Meade, Winter Haven	R-1 \$11.18 B-1 \$28.52 PBX \$50.67
MULBERRY	GTEFL	TAMPA	6,463*	Bartow, Lakeland [Plant City, Tampa (all)]	R-1 \$10.68 B-1 \$27.27 PBX \$49.42

^{*} HOME EXCHANGE

^{**} TOTAL CALLING SCOPE

^[] ECS

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