

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Resolution by Levy ) DOCKET NO. 930995-TL  
County Board of County ) ORDER NO. PSC-94-0766-FOF-TL  
Commissioners for county-wide ) ISSUED: June 21, 1994  
calling within Levy County and )  
extended area service (EAS) from )  
Chiefland and Cedar Key to )  
Gainesville. )  
\_\_\_\_\_ )

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.

This docket was initiated pursuant to a Resolution filed by the Levy County Board of County Commissioners for countywide calling within Levy County and for extended area service (EAS) from Chiefland and Cedar Key to Gainesville. The exchanges are served by BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell), with the exception of the Williston exchange, which is served by United Telephone Company of Florida (United). All of these are located within the Gainesville LATA.

By Order No. PSC-93-1589-PCO-TL, issued November 1, 1993, we required Southern Bell and United to conduct traffic studies on these routes. On January 3, 1994, we granted Southern Bell an extension of time, until April 1, 1994, for filing traffic studies. See Order No. PSC-94-0005-PCO-TL.

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FPSC-RECORDS/REPORTING

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By Order No. PSC-94-0589-PCO-TL, issued May 19, 1994, we required Southern Bell and United to conduct traffic studies on the routes that were inadvertently omitted from the first traffic study (Order No. PSC-93-1589-PCO-TL). The traffic studies for these routes are due in August 1994.

Southern Bell has filed the calling volumes for its intraLATA toll routes with a request for confidential classification. By Order No. PSC-94-0479-CFO-TL, issued April 21, 1994, we granted Southern Bell's request for confidential treatment of the 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 EAS is desired. This 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. We find that the Bronson/Gainesville route is the only route that qualified for nonoptional, two-way, flat rate EAS under the criteria for the Rule.

Currently, Bronson has two optional extended area calling plans to Gainesville. One plan is a one-way flat rate optional service available to residential, business, and PBX customers. Under this plan, customers pay, in addition to their regular monthly rates, \$3.50 for R-1, \$8.40 for B-1, or \$18.50 for PBX. These rates are higher than the proposed additives for nonoptional flat rate, two-way EAS discussed below. The other plan is EOEAS which does not offer a flat rate option. Therefore, if the Bronson survey passes, the Optional Extended Area Calling Plan and the EOEAS on the Bronson to Gainesville route shall be discontinued simultaneously with the implementation of EAS.

Therefore, we hold that the Bronson subscribers shall be surveyed for nonoptional, two-way, flat rate EAS to the Gainesville exchange at the rates shown below in Table A. The subscriber survey shall comply with Rule 25-4.063, Florida Administrative Code, (Subscriber Survey). The survey shall begin within forty-five (45) days of the date this Order becomes final. Southern Bell shall submit the newspaper advertisement for staff's review prior to publication. The survey letter and ballot shall be submitted to staff for review prior to distribution to its customers. Also, the Southern Bell shall submit a copy of the published newspaper advertisement and the dates run.

We find that the calling rates on the remaining routes for which we have the traffic data, do not qualify for nonoptional, flat rate, two-way EAS. In the traffic study order (PSC-93-1589-PCO-TL, issued November 1, 1993), some of the routes in the countywide EAS request were erroneously omitted. As a result, Order No. PSC-94-0589-PCO-TL has been issued to require traffic study on those routes. These routes shall be evaluated after the companies perform traffic studies on the routes.

In all recent EAS dockets in which calling volumes were sufficient to warrant consideration of nonoptional, flat rate, two-way EAS, 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 added to the exchange's calling scope. The regrouping additive is the difference in rates between the exchange's original rate group and the new 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 to be implemented on the Bronson/Gainesville route, the Bronson exchange would move from rate group 3 to 5. As a result, the Bronson exchange's calling scope would increase along with local rates. The Bronson customers shall be surveyed for nonoptional, flat rate, two-way EAS pursuant to Rule 25-4.063, Florida Administration Code.

Southern Bell shall survey its Bronson subscribers for nonoptional, flat rate, two-way, toll free calling, to the Gainesville exchange under the 25/25 additive plus regrouping at the rates listed in the following table:

TABLE A

Present Rates	25/25 Additive	Regrouping	Total Additive	New Rate
R-1 \$ 8.10	\$ 2.20	\$ 0.70	\$ 2.90	\$ 11.00
B-1 \$21.90	\$ 5.96	\$ 1.95	\$ 7.91	\$ 29.81
PBX \$37.23	\$ 10.14	\$ 3.32	\$ 13.46	\$ 50.69

The 25/25 additive shown above was derived by calculating the additional calling scope gained by the Bronson subscribers. The number of access lines by which the calling scope of the Bronson exchange will increase is simply the number of access lines in the Gainesville exchange, which is 98,915. This number of access lines was then applied to Southern Bell's rate group schedule to determine the 25/25 additive. With the addition of these access lines to the current calling scope in the Bronson exchange, which consists of 2,271 access lines, the new total would be 101,186 access lines. This will move Bronson from rate group 3 to rate group 5. The Gainesville exchange will not regroup from gaining calling to the Bronson exchange.

Accordingly, we hold that the Bronson subscribers shall be surveyed under the 25/25 additive plus regrouping at the rates listed above in Table A. If the survey passes, the additive shall stay in place for two years after implementation or until Southern Bell's next earnings review, whichever comes later.

With the exception of the Cedar Key/Gainesville and Chiefland/Gainesville routes, the calling rates on the remaining routes do not have a sufficient calling volume to warrant any toll relief.

The Trenton (Levy County pocket)/Gainesville route met the M/A/M requirement but fell short of the qualifying threshold on the distribution requirement. Even if the Trenton (Levy County pocket)/Gainesville route had calling sufficient for an alternative toll plan, it is staff's opinion that alternative toll relief should not be granted for pockets. The Trenton (Levy County pocket) contains only 19 percent of the total access lines for the Trenton exchange. It does not seem cost-effective to require the local exchange companies (LECs) to provide an alternative toll plan that benefits only 19 percent of an exchange.

The Cedar Key/Gainesville and Chiefland/Gainesville routes exhibited high calling volumes and missed the distribution requirement by only a fraction to qualify for nonoptional, flat rate, two-way EAS. Historically, we have implemented the \$.25 message plan on routes that were close to qualifying for flat rate EAS. Typically, these cases were close to meeting our requirements but failed either on the distribution or volume level by a small percentage. All the routes being considered at this time fell short of both the calling volume and distribution with the exception of the Cedar Key/Gainesville and Chiefland/Gainesville routes, which met the M/A/M requirement.

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The calling rates on the remaining routes for which we have traffic data, do not exhibit a sufficient community of interest to warrant any form of toll relief. In the traffic study order (PSC-93-1589-PCO-TL, issued November 1, 1993), some of the routes in the countywide EAS request were inadvertently omitted. Order No. PSC-94-0589-PCO-TL has been issued to require a traffic study on those routes.

The Cedar Key/Gainesville and Chiefland/Gainesville routes shall be reevaluated once the criteria have been established for alternative toll plans in the current EAS rulemaking docket (930220-TL). Therefore, we find that no alternative toll plans shall be implemented on the remaining routes for which we have traffic data, and the additional routes shall be evaluated for EAS after the companies perform traffic studies on the routes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the calling rate on the Bronson/Gainesville route is sufficient to warrant a survey for nonoptional, flat rate, two-way extended area service. It is further

ORDERED that BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company shall survey the Bronson subscribers for nonoptional, two-way, flat rate extended area service to the Gainesville 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 BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company shall submit the newspaper advertisement for the Commission staff's review prior to publication. The survey letter and ballot also shall be submitted to Commission staff for review prior to distribution to its customers. In addition, BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company shall provide Commission staff with a copy of the published newspaper advertisement and the date that it ran. It is further

ORDERED that if the survey passes, the Optional Extended Area Calling Plan and the Enhanced Optional Extended Area Service on the Bronson to Gainesville route shall be discontinued simultaneously with the implementation of extended area service. It is further

ORDERED that we find that the calling rates on the remaining routes for which we have traffic data do not qualify for nonoptional, flat rate, two-way extended area service. It is further

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

Residential 1-Party	Business 1-Party	PBX
\$11.00	\$29.81	\$50.69

If the survey passes, the 25/25 additive shall stay in place for two years after implementation or until BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company's next earnings review, whichever is later. It is further

ORDERED that even though the Cedar Key/Gainesville and Chiefland/Gainesville routes had calling rates and distribution factors significant to warrant an alternative toll plan, no action shall be taken at this time. These routes shall be reevaluated once the criteria have been established for alternative toll plans in the current extended area service rulemaking docket. 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 this docket shall remain open until the Bronson customers have been surveyed and the additional routes have been evaluated pending the results of the new traffic study, and until the Cedar Key/Gainesville and Chiefland/Gainesville routes have been reevaluated.

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By ORDER of the Florida Public Service Commission, this 21st  
day of June, 1994.

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

by: Kay Flynn  
Chief, Bureau of Records

( S E A L )

DLC

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 July 12, 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.

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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.