# MACFARLANE AUSLEY FERGUSON & MCMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SGUTH CALHOUN STREET PO BOX 391 (ZIP 32302) TALLAHASSEE FLORIDA 32301 (904) 224-91/5 FAX (904) 222-7560

111 MADISON STREET, SUITE 2300
P.O. BOX 1531 12IP 336011
TAMPA, FLORIDA 33602
18131 273 4200 FAX 18131 273 4398

March 21, 1996

FILE COPY

400 CLEVELAND STREET
P O BOX 1669 (ZIP 34617)
CLEARWATER FLORIDA 34615
(B13) 441 8966 FAX18131 442 8470

IN REPLY REFER TO

Tallahassee

### BY HAND DELIVERY

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Petition by subscribers of the Groveland exchange for extended area service (EAS) to the Orlando, Winter Garden, and Windermere exchanges - Docket No.

Dear Ms. Bayo:

Enclosed for filing in the above-styled docket are the original and fifteen (15) copies of United Telephone Company of Florida's Prehearing Statement.

We are also submitting the Prehearing Statement on a 3.5" high-density diskette generated on a DOS computer in WordPerfect 5.1 format.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincered.

LLW/csu

cc: All Parties of Record

Enclosure

] | \utd\941281 byo

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT MI, HOT R-DATE

03363 MAR 21 8

FPSC-RECORDS/REPORTING

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

)

Petition by subscribers ) In re: of the Groveland exchange for extended area service (EAS) to the Orlando, Winter Garden, and Windermere exchanges

DOCKET NO. 941281-TL Filed: 3/21/96

## UNITED'S PREHEARING STATEMENT

Pursuant to the Order on Prehearing Procedure in this docket, United Telephone Company of Florida ("Sprint-United" or the "Company"), through its undersigned counsel, files its Prehearing Statement.

- WITNESS: The companies will offer the prepared direct testimony of Sharon E. Harrell.
- EXHIBITS: The Companies will offer the Composite Exhibit B. of Sharon E. Harrell (SEH-1), consisting of 1 document.
- BASIC POSITION: United's basic position is that the C. calling patterns on the routes in this docket do not meet the existing Commission requirements to qualify for balloting for flatrate, non-optional EAS, but do support the implementation of an Extended Calling Service ("ECS") Plan.

### D-G. ISSUES AND POSITIONS:

ISSUE 1: Is there a sufficient community of interest from the Groveland exchange to the Orlando, Winter Garden, and Windermere exchanges to justify surveying for nonoptional extended area service as currently defined in the Commission rules, or implementing an alternative interLATA toll plan?

<u>Position</u>: No. Commission Rule 25-4.060(3) states that a sufficient community of interest exists when the calling rate exceeds three Messages Per Access Line Per Month (M/A/Ms) and 50% of the subscribers in the exchange make two or more calls per month. Traffic on the Groveland to Orlando route satisfied the M/A/M criteria, but fell short of the distribution requirement.

ISSUE 2: What other community of interest factors should be considered in determining if either an optional or nonoptional toll alternative should be implemented on these routes?

<u>Position</u>: Additional community of interest factors often included are the location of schools, fire/police departments, medical/emergency facilities and county government. All of these factors for the Groveland exchange are located in Lake County and can be accessed toll free. Therefore, these traditional community of interest factors are not applicable for the implementation of flat-rate, non-optional EAS on the Groveland to Orlando route.

- ISSUE 3: If a sufficient community of interest if found on any of these routes, what is the economic impact of each plan on the customer and the company (summarize in chart form and discuss in detail)?
  - a. EAS with 25/25 plan and regrouping
  - b. InterLATA toll alternative plan; and
  - c. Other (specify)

#### Position:

- a. Subscribers in the Groveland exchange would be charged an additive to their basic monthly rate, and would be regrouped to United's rate group 6, which would result in an increase in the basic monthly rate. The estimated annual revenue impact to United would be \$58,728, which does not reflect the additional costs incurred for facilities that will need to be installed or leased from an IXC, or other administrative costs.
- b. The implementation of ECS impacts only those customers making the calls. Based on the monthly calling volume reflected in the traffic studies, the estimated annual revenue impact to United would be a loss of \$85,000. As with the implementation of EAS, this loss does not reflect the additional costs for facilities or other administrative costs.

ISSUE 4: Should subscribers be required to pay an additive as a prerequisite to surveying for extended area service or an alternative interLATA toll plan? If so, how much of a payment is required and how long should it last?

<u>Position</u>: Yes. If the Commission orders non-optional flatrate EAS, it should order the 25/25 plan with regrouping.

ISSUE 5: If a sufficient community of interest is found, what are the appropriate rates and charges for the plan to be implemented on these routes?

<u>Position</u>: The appropriate rates would be the 25/25 plan with regrouping.

ISSUE 6: If extended area service or an alternative interLATA toll plan is determined to be appropriate, should the customers be surveyed?

<u>Position</u>: Yes. If a non-optional plan is determined to be appropriate, the subscribes should be surveyed. All subscribers should have a voice in the implementation of such a plan since all subscribers will pay for the plan if implemented.

- H. STIPULATIONS: The Companies are not aware of any pending stipulations at this time.
- I. <u>PENDING MOTIONS</u>: The Companies are not aware of any pending motions at this time.
- J. COMPLIANCE WITH ORDER ON PREHEARING PROCEDURE: The Company does not know of any requirement of the Order on Prehearing Procedure with which it cannot comply.

DATED this 21st day of March, 1996

LEE I. WILLIS and JEFFRY WAHLEN

Macfarlane Ausley Ferguson

& McMullen P. O. Box 391

Tallahassee, Florida 32302

(904) 224-9115

ATTORNEYS FOR UNITED TELEPHONE COMPANY OF FLORIDA

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U. S. Mail or hand delivery (\*) this 21st day of March, 1996, to the following:

Bob Pierson \*
Division of Legal Services
Florida Public Service Comm.
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Carroll Fulmer & Co., Inc. P. O. box 616300 Orlando, FL 32861

Nancy H. Sims
BellSouth Telecommunications
150 S. Monroe St., Suite 400
Tallahassee, FL 32301

Richard Wagner 304 East Colonial Drive Orlando, FL 32801

utd\941281.phs