BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: PROPOSED TARIFF BY SOUTHERN BELL) DOCKET NO. 890884-TL TELEPHONE COMPANY TO INCORPORATE A PART) ORDER NO. 21772 OF VOLUSIA COUNTY INTERIM FOREIGN) ISSUED 8-22-89 EXCHANGE AREA INTO DELAND, DAYTONA BEACH) AND NEW SMYRNA BEACH EXCHANGES)

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman THOMAS M. BEARD GERALD L. GUNTER JOHN T. HERNDON

ORDER APPROVING TARIFF FILING

The purpose of the Interim Foreign Exchange (IFX) is to enable customers who are located in rural remote areas to have telephone service until the area becomes developed enough to warrant a company's investment. To compensate for the cost of providing the IFX service, the Commission approved a method to serve these customers by dividing the remote area into zones similar to those used for zone charges. The customers pay a monthly rate for local service (depending on the exchange in which they receive service) plus an additional amount ranging from \$2.75 to \$16.90 depending on the zone in which they are located.

Currently, there are several existing IFX areas. It is anticipated that these IFX areas will be incorporated into a contigious exchange as growth and development of these areas warrant.

Southern Bell filed a tariff on June 22, 1989 proposing to incorporate a part of the Volusia County Interim Foreign Exchange (IFX) area into Deland, Daytona Beach and New Smyrna Beach. This previously uninhabited area in the central part of Volusia county is now experiencing growth. The area is approximately 43 square miles and is sparsely populated. There are only seven customers. The entire area is expected to remain agricultural and rural in the short term. However this area is expected to experience significant growth as the

> DOCUMENT NUMBER-DATE 08522 AUG 22 1989 EPSC-RECORDS/REPORTING

ORDER NO. 21772 DOCKET NO. 890884-TL PAGE 2

200

westward growth from Daytona and the northward growth from Orlando reach it.

With the elimination of the IFX, the customers will only pay the local service rate for the exchange in which they receive service. Southern Bell will experience an annual revenue loss of \$678.

Since the seven customers will continue to be served out of the exchange in which they originally requested service, there will be no change in the calling scope for the customers. Also it appears that the exchange boundaries were drawn to reflect the customers' existing communities of interest.

The elimination of IFX in this region would benefit the customers by substantially reducing their monthly rates. We, therefore believe that the request to incorporate the Volusia County IFX into the Deland, Daytona Beach and New Smyrna Beach exchanges should be approved.

Based on the foregoing, it is hereby

ORDERED that Southern Bell's tariff filing to incorporate a part of Volusia County Interim Foreign Exchange area into Deland, Daytona Beach and New Smyrna Beach is approved effective August 21, 1989. It is further

ORDERED that this docket is closed.

By ORDER of the Florida Public Service Commission, this <u>22nd</u> day of AUGUST , <u>1989</u>.

STEVE TRIBBLE, Director

Division of Records and Reporting

(SEAL)

JSR