BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Broward Board of County Commissioners for extended area service between Fort Lauderdale, Hollywood, North Dade and Miami.) DOCKET NO. 911034-TL)))
In re: Petition of SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY for rate stabilization and implementation orders and other relief.) DOCKET NO. 880069-TL) ORDER NO. PSC-92-0420-FOF-TL) ISSUED: 05/27/92)

The following Commissioners participated in the disposition of this matter:

)

SUSAN F. CLARK J. TERRY DEASON BETTY EASLEY LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION ORDER DENYING REQUEST FOR EXTENDED AREA SERVICE <u>AND</u> ORDER CONSOLIDATING DOCKET NO. 911034-TL INTO DOCKET NO. 920260-TL

BY THE COMMISSION:

I. BACKGROUND

This docket was initiated pursuant to Resolution No. 91-252 filed with this Commission by the Broward County Board of County Commissioners. The Resolution requested that we consider requiring implementation of extended area service (EAS) between the Fort Lauderdale, Hollywood, North Dade, and Miami exchanges, as well as from the Weston central office of the Fort Lauderdale exchange (NXX codes 384 and 389) to the North Dade and Miami exchanges. These exchanges are served by Southern Bell Telephone and Telegraph Company (Southern Bell or the Company). The Fort Lauderdale and Hollywood exchanges are located in Broward County, while the North Dade and Miami exchanges are located in Dade County. All of these exchanges are located in the Southeast LATA (local access transport area).

By Order No. 25208, issued October 11, 1991, we directed Southern Bell to perform traffic studies on the affected routes to

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determine whether a sufficient community of interest exists, pursuant to Rule 25-4.060, Florida Administrative Code. The Company was required to prepare and submit these studies to us within sixty (60) days of the issuance date of Order No. 25208, making the studies due by December 10, 1991.

On December 12, 1991, Southern Bell filed a Motion for Extension of Time requesting an extension of thirty (30) days in which to prepare and submit the required traffic studies. As grounds for its request, Southern Bell cited the complexities inherent in traffic studies involving pocket areas. By Order No. 25517, issued December 23, 1991, we granted Southern Bell's request. Subsequently, the Company filed the required traffic studies.

II. <u>EAS</u>

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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

By Order No. 25208, Southern Bell was directed to conduct traffic studies on the exchanges affected by the Resolution to determine if a sufficient community of interest exists pursuant to Rule 25-4.060. For these studies, we requested that the Company measure the messages per main and equivalent main station per month (M/M/M) and percentage of subscribers making calls each month to the exchanges for which EAS was proposed. The results of the traffic studies, including foreign exchange (FX) service, are set forth below.

ROUTE	<u>M/M/M</u>				<pre>% MAKING 2 OR MORE CALLS</pre>		
	Res	Bus	Comb	With FX	Res	Bus	Comb
Ft. Lauderdale to Miami	4.16	10.31	5.85	8.41	32.4%	34.6%	32.8%
Ft. Lauderdale to N. Dade	1.71	2.90	2.04	5.08	18.6%	23.0%	19.5%

ROUTE	<u>M/M/M</u>				<pre>% MAKING 2 OR MORE CALLS</pre>			
	Res	Bus	Comb	With FX	Res	Bus	Comb	
Hollywood to Miami	8.38	12.96	9.25	10.45	33.4%	34.6%	33.6%	
Miami to Ft. Lauderdale	1.12	3.92	1.93	3.05	15.3%	29.1%	18.0%	
Miami to Hollywood	1.24	2.53	1.61	1.89	15.6%	24.9%	17.4%	
N. Dade to Ft. Lauderdale	4.19	8.70	5.20	12.92	34.2%	35.7%	34.5%	

Rule 25-4.060(2) requires a two-way calling rate of two (2) M/M/Ms or greater, with a least fifty percent (50%) of the exchange subscribers making one (1) or more calls per month. Alternatively, a one-way calling rate of three (3) M/M/Ms or greater, with at least fifty percent (50%) of the exchange subscribers making two (2) or more calls per month is adequate, if the petitioning exchange is less than half the size of the exchange to which EAS is sought. Since none of the routes exhibit calling rates that meet these levels, we shall deny any further consideration of nonoptional, flat rate, two-way EAS along the above routes.

III. ALTERNATIVE TOLL RELIEF

In cases where calling rates and community of interest considerations were not sufficient to justify traditional EAS, we have often considered various alternative toll discount plans as a means of providing relief to subscribers. The specific plan authorized is generally dependent upon the traffic volumes on the routes under consideration. In cases where traffic volumes are extremely low, or where community of interest factors are insufficient, we have sometimes declined to authorize any form of toll relief whatsoever.

Because of the complexity of the issues surrounding this docket and the potential revenue impact of any alternative toll relief plan for these routes, we find it appropriate to defer any

decision on this matter into Southern Bell's upcoming rate case, Accordingly, Docket No. 920260-TL. this docket shall be consolidated into Docket No. 920260-TL.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Resolution No. 91-252 filed with this Commission by the Broward County Board of County Commissioners is hereby denied in part, with action deferred in part, as set forth in the body of this Order. It is further

ORDERED that the routes set forth herein do not qualify for flat rate, nonoptional, two-way toll free calling for the reasons discussed herein. It is further

ORDERED that consideration of alternative toll relief for the routes discussed herein shall occur in the context of Docket No. 920260-TL. It is further

ORDERED that Docket No. 911034-TL shall remain open and be consolidated into Docket No. 920260-TL. It is further

ORDERED that Docket No. 880069-TL shall remain open. It is further

ORDERED that our proposed action described in Section II of this Order shall become final following expiration of the protest period specified below, if no proper protest to our proposed agency action is filed in accordance with the requirements set forth below.

By ORDER of the Florida Public Service Commission, this 27th day of May, 1992.

> STEVE TRIBBLE, Director Division of Records and Reporting

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(SEAL)

Chief, Bureau of Records

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Commissioner Deason dissented without written comment.

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.

As identified in the body of this order, our action in Section II of this Order 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 June 17, 1992. In the absence of such a petition, this order shall become effective on the date 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 the relevant portion of 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 sewer 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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer 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 after the issuance 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.