BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Resolution by Holmes County Board of County Commissioners for extended area service in Holmes County.

DOCKET NO. 870248-TL

In Re: Request by Gilchrist County Commissioners for extended area service throughout Gilchrist County.

DOCKET NO. 870790-TL

In Re: Resolution by the Orange) DOCKET NO. 900039-TL County Board of County Commissioners for extended area service between the Mount Dora exchange and the Apopka, Orlando, Winter Garden, Winter Park, East Orange, Reedy Creek, Windermere, and Lake Buena Vista exchanges.

In Re: Resolution by Bradford County Commission requesting extended area service within Bradford County and between Bradford County, Union County and Gainesville.

DOCKET NO. 910022-TL

In Re: Request by Volusia County Council for extended area service between the Sanford exchange (Osteen and Deltona) and the Orange City and DeLand exchanges.

) DOCKET NO. 910029-TL

In Re: Request by Putnam County) DOCKET NO. 910528-TL Board of County Commissioners for extended area service between the Cresent City, Hawthorne, Orange Springs, and Melrose exchanges, and the Palatka exchange.

In Re: Request by Pasco County) DOCKET NO. 910529-TL Board of County Commissioners for extended area service between all Pasco County exchanges.

Request for extended In Re: area service between all exchanges within Volusia County by Volusia County Council.

In Re: Resolution by City Council of Port Richey for extended area service between the Hudson exchange and Tarpon Springs, Clearwater, St. Petersburg, and Tampa exchanges;) also between the New Port Richey) and Clearwater, St. Petersburg, and Tampa exchanges.

In Re: Resolution by the Palm Beach County Board of County Commissioners for extended area service between all exchanges in) Palm Beach County.

In Re: Petition by residents of) Boca Grande requesting extended area service (EAS) between Boca Grande and North Ft. Myers, North Port, Venice, Englewood, Pine Island, North Cape Coral and Cape Coral.

In Re: Resolution by the TAYLOR) DOCKET NO. 930235-TL COUNTY BOARD OF COMMISSIONERS for countywide extended area service (EAS) within Taylor County.

DOCKET NO. 911185-TL

DOCKET NO. 920642-TL

DOCKET NO. 921193-TL

DOCKET NO. 930172-TL

ORDER NO. PSC-96-0557-FOF-TL ISSUED: April 25, 1996

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION ORDER REGARDING EXTENDED AREA SERVICE

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.

I. Background

On May 18, 1993, Judge Greene of the United States District for the District of Columbia rejected BellSouth Telecommunications, Inc.'s (BellSouth's) request for waiver of its Modified Final Judgment (MFJ) to implement the \$.25 plan on specific interLATA (local access and transport area) routes. December 22, 1993, the United States District Court for the District of Columbia rejected GTE Florida Incorporated's (GTEFL's) request for a waiver of its federal consent decree to implement extended calling service (ECS) on specific interLATA routes. The court denied the requests for waiver to implement the \$.25 plan or ECS on these interLATA routes because an insufficient community of interest had been demonstrated. The court further stated that if the requisite community of interest between the exchanges is lacking, the court cannot under the decree permit such LATA boundary expansions. Such arrangements are merely discounted toll rates and thus anti-competitive. The court also noted that once sufficient communities of interest between these areas develop, non-optional extended area service (EAS) plans may be appropriate.

Based on Judge Greene's decisions denying BellSouth's and GTEFL's requests to carry interLATA traffic, we directed our staff to consider other alternatives that would be acceptable to the court. Our staff held several rulemaking workshops involving local

exchange companies, interexchange carriers, and county representatives to review and propose modifications to the EAS rules, which included developing an appropriate interLATA alternative plan.

Our staff sent a draft of a proposed plan to the Department of Justice (DOJ) for its review. Also, our staff met with the DOJ and received favorable feedback on the proposed plan. However, because of revisions to Chapter 364, Florida Statutes, by Chapter 95-403, Laws of Florida, the proposed EAS rulemaking docket was closed.

Using the proposed EAS rules as a guide, our staff developed a modified extended calling service (MECS) plan for interLATA routes involving GTEFL and BellSouth. At the November 20, 1995 agenda conference, we deferred action on these EAS dockets involving interLATA routes. BellSouth, United and ALLTEL expressed concern with specific aspects of our staff's proposed modified extended calling service (MECS) plan. Thus, we directed our staff and the affected local exchange companies (LECs) to meet and resolve these problems.

On January 23, 1996, the Commission staff held a workshop to discuss the proposed MECS plan. BellSouth, United, ALLTEL, GTEFL, a representative from Taylor County, Office of Public Counsel and the Commission staff attended the workshop.

On February 8, 1996, the Telecommunications Act of 1996 became effective. This law removes the interLATA prohibitions for GTEFL, and allows BellSouth entry into the interLATA market after Federal Communication Commission (FCC) approval.

II. Requests for EAS regarding companies other than BellSouth

The routes being addressed in this section involve local exchange companies (LECs) other than BellSouth and are identified in Table A.

TABLE A

FROM (1)	TO (2)	DOCKET NO.	LOCAL EXCHANGE COMPANY(S) INVOLVED
Dade City	Tampa-North	910529-TL	United and GTEFL
San Antonio	Tampa-North	910529-TL	United and GTEFL
Dade City	Tampa-Central	920642-TL	United and GTEFL
San Antonio	Tampa-Central	920642-TL	United and GTEFL
Boca Grande	Englewood	930172-TL	United and GTEFL

By Order No. PSC-92-0158-FOF-TL, in Docket No. 910529-TL, issued April 6, 1992, this Commission ordered ECS on eight routes, three of which were interLATA routes involving GTEFL or BellSouth. At the time that order was issued, GTEFL was required under its consent decree to seek a waiver from the Department of Justice (DOJ) to carry interLATA traffic. The United States District Court for the District of Columbia rejected GTEFL's request to implement ECS on these interLATA routes.

By Order No. PSC-93-1524-FOF-TL, in Docket No. 920642-TL, issued October 18, 1993, this Commission found it was appropriate that no action be taken at that time on the San Antonio/Tampa-North, Dade City/Tampa-North, San Antonio/Tampa-Central and Dade City/Tampa-Central routes. The Order further stated that these routes would be reevaluated once an acceptable interLATA solution was developed.

By Order No. PSC-93-1802-FOF-TL, issued December 20, 1993, in Docket No. 930172-TL, this Commission held that an alternative toll plan for the Boca Grande/Englewood route would be considered after the conclusion of the generic EAS investigation.

On February 8, 1996, the Telecommunications Act of 1996 became effective. Because this law apparently removes the interLATA prohibition for GTEFL, ECS can be implemented on the routes identified in Table A. By on our previous orders, we have determined that these routes warrant ECS. It was only the federal interLATA prohibition for GTEFL that prevented these routes from being implemented as ordered. Since these prohibitions apparently have been removed, we find it is appropriate that ECS be implemented on the routes.

We also find it is appropriate to allow interexchange carriers (IXCs) to continue to carry the same types of traffic on these routes that they are now authorized to carry. This is consistent with the Settlement Agreement in Order No. PSC-94-0572-FOF-TL, issued May 16, 1994, in Docket No. 911034-TL.

Accordingly, we find that ECS shall be implemented on the routes identified in Table A. Residential customers shall pay \$.25 per call regardless of duration, and business calls on these routes shall be rated at \$.10 for the first minute and \$.06 for each additional minute. Pay telephone providers will charge end users \$.25 per message and pay the standard measured interconnection usage charge. IXCs may continue to carry the same types of traffic on these routes that they are now authorized to carry. ECS shall be implemented on these routes as soon as possible but not to exceed six months from the issuance date of the Order.

III. Routes involving BellSouth

The routes discussed in this section involve BellSouth and are set forth in Table B.

TABLE B

FROM	то	DOCKET . NO.	LOCAL EXCHANGE COMPANY(IES) INVOLVED
Graceville	Ponce de Leon	870248-TL	Centel and BellSouth
Graceville	DeFuniak Springs	870248-TL	Centel and BellSouth
Sanford	DeLand	910029-TL	BellSouth
Mt. Dora	Orlando	900039-TL	United and BellSouth
Trenton	Branford	870790-TL	BellSouth and ALLTEL
Trenton	High Springs	870790-TL	BellSouth and ALLTEL
Lawtey	Gainesville	910022-TL	Centel and BellSouth
Raiford	Gainesville	910022-TL	ALLTEL and BellSouth

FROM	то	DOCKET NO.	LOCAL EXCHANGE COMPANY (IES) INVOLVED
Starke	Gainesville	910022-TL	Centel and BellSouth
Hawthorne	Interlachen	910528-TL	BellSouth and ALLTEL
Hawthorne	Palatka	910528-TL	BellSouth and ALLTEL
Keystone Heights	Palatka	910528-TL	BellSouth
Keystone Heights	Interlachen	910528-TL	BellSouth and ALLTEL
Keystone Heights	Florahome	910528-TL	BellSouth and ALLTEL
Melrose	Palatka	910528-TL	ALLTEL and BellSouth
Orange Springs	Palatka	910528-TL	ALLTEL and BellSouth
Hudson	Brooksville	910529-TL	GTEFL and BellSouth
DeBary	Daytona Beach	911185-TL	BellSouth
DeBary	New Smyrna Bch	911185-TL	BellSouth
DeBary	DeLeon Springs	911185-TL	BellSouth
DeBary	Oak Hill	911185-TL	BellSouth
DeBary	Pierson	911185-TL	BellSouth
Orange City	Daytona Beach	911185-TL	United and BellSouth
Orange City	New Smyrna Bch	911185-Tl	United and BellSouth
Orange City	Oak Hill	911185-Tl	United and BellSouth
Orange City	Pierson	911185-Tl	United and BellSouth
Orange City	DeLeon Springs	911185-TL	United and BellSouth
Sanford	Daytona Beach	911185-TL	BellSouth
Sanford	DeLeon Springs	911185-TL	BellSouth

FROM	то	DOCKET NO.	LOCAL EXCHANGE COMPANY (IES) INVOLVED
Sanford	New Smyrna Bch	911185-TL	BellSouth
Sanford	Oak Hill	911185-TL	BellSouth
Sanford	Pierson	911185-TL	BellSouth
Clewiston	Belle Glade	921193-TL	United and BellSouth

This Commission has determined by previously issued orders that the routes identified in Table B warrant toll relief. At the time the orders were issued, BellSouth was required under the MFJ to seek a waiver from the DOJ to carry interLATA traffic. The United States District Court for the District of Columbia rejected BellSouth's request to implement \$.25 calling on these specific routes in Docket Nos. 870248-TL, 870790-TL, 900039-TL, 910022-TL, 910029-TL, 910528-TL, and 910529-TL. BellSouth also filed a waiver request for Docket No. 911185-TL but no decision had been made. Dockets Nos. 921193-TL, 930172-TL, and 930235-TL consists of routes that we have identified as warranting some form of toll relief but were pending the development of an alternative toll plan that would be acceptable to the DOJ.

On February 8, 1996, the Telecommunications Act of 1996 became effective. This law allows BellSouth entry into the interLATA market after FCC approval. Therefore, we find that it is appropriate for BellSouth to begin seeking approval from the FCC to carry this interLATA traffic. We also direct our staff to communicate with the FCC regarding the issue of whether BellSouth can carry this interLATA traffic.

By previously issued orders, this Commission has determined that these interLATA routes identified in Table B warrant toll relief. Because of the previous interLATA prohibitions on BellSouth, the routes in Table B have not been implemented. This Commission disagreed with Judge Greene's decision to deny the \$.25 plan on these routes. Under the guidelines of the Telecommunications Act of 1996, it appears that BellSouth can carry this interLATA traffic if specific criteria are met subject to FCC approval.

Accordingly, we find that ECS shall be implemented on the routes identified in Table B. Residential customers shall pay \$.25

per call regardless of duration, and business calls on these routes shall be rated at \$.10 for the first minute and \$.06 for each additional minute. BellSouth shall immediately begin seeking approval from the FCC to carry this interLATA traffic. Once the FCC has made its determination, BellSouth shall notify the Commission so that appropriate action can be taken.

IV. Docket No. 930235-TL

This EAS request regards countywide calling within Taylor County. The routes in the interLATA pocket areas involve BellSouth and Gulf Telephone. These Taylor County customers are served by BellSouth from the Cross City exchange, which is primarily located in Dixie County. The subscribers in the Taylor County portion of the Cross City exchange cannot call toll-free their county seat, Perry. We do not have the traffic data from the Cross City exchange or Cross City (Taylor County pocket) into the Perry and Keaton Beach exchanges to determine whether these routes warrant any form of toll relief.

By Order No. PSC-93-1168-FOF-TL, issued August 10, 1993, this Commission granted BellSouth relief from filing interLATA traffic studies on the routes. BellSouth stated that it no longer performs the recording and rating of interLATA traffic for AT&T; therefore, it no longer had the data, or access to it. Gulf provided traffic studies on its interLATA routes, which did not support an alternative toll plan.

Historically, this Commission has determined a community of interest based on the toll volumes between exchanges. We have also considered whether the area has toll-free access to its county seat. This case is unique because it involves a pocket that cannot call its county seat, and we cannot obtain the toll information in the required format to determine whether there exists a sufficient community of interest. These routes involve a county that is split by an exchange and a LATA boundary.

Accordingly, we will set this docket for hearing to afford the parties an opportunity to present community of interest criteria so that we may consider community of interest information that otherwise would not be present. This is consistent with the decisions in Dockets Nos. 941281-TL and 930173-TL.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that United Telephone Company of Florida and GTE Florida Incorporated shall implement extended calling service on the routes identified in Table A as set forth in the body of this Order. It is further

ORDERED that for the routes identified in Table A of this Order, residential customers shall pay \$.25 per call regardless of duration, and business calls shall be rated at \$.10 for the first minute and \$.06 for each additional minute. Extended calling service shall be implemented on these routes as soon as possible but not to exceed six months from the issuance date of this Order. It is further

ORDERED that for the routes identified in Table A of this Order, pay telephone providers will charge end users \$.25 per message and pay the standard interconnection usage charge. It is further

ORDERED that for the routes identified in Table A of this Order, interexchange carriers may continue to carry the same types of traffic on these routes that they are now authorized to carry. It is further

ORDERED that BellSouth Telecommunications, Inc., Central Telephone Company of Florida, United Telephone Company of Florida, ALLTEL Florida, Inc., and GTE Florida Incorporated shall implement extended calling service on the routes identified in Table B as set forth in the body of this Order. It is further

ORDERED that for the routes identified in Table B of this Order, residential customers shall pay \$.25 per call regardless of duration, and business calls shall be rated at \$.10 for the first minute and \$.06 for each additional minute. It is further

ORDERED that BellSouth shall seek approval from the Federal Communications Commission to carry this interLATA traffic. Once the FCC has made its determination, BellSouth shall notify this Commission. It is further

ORDERED that Docket No. 930235-TL shall be set for hearing. It is further

ORDERED that the provisions of this Order shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak

Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that any protest of the actions proposed herein shall be specific as to routes and dockets that are subject to the protest. It is further

ORDERED that a protest of the decision in one docket does not prevent the decision in the other dockets from becoming final. It is further

ORDERED that in the event this Order becomes final, Docket No. 920642-TL shall be closed. The other dockets shall remain open.

By ORDER of the Florida Public Service Commission, this <u>25th</u> day of <u>April</u>, <u>1996</u>.

BLANCA S. BAYÓ, Director

Division of Records and Reporting

(SEAL)

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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 16, 1996.

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.

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 substantially 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.



MEMORANDUM

APRIL 22, 1996



TO:

DIVISION OF RECORDS AND REPORTING

FROM:

DIVISION OF LEGAL SERVICES (CANZANO)

RE:

DOCKET NO. 870248-TL - RESOLUTION BY HOLMES COUNTY BOARD OF COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE IN HOLMES COUNTY, FLORIDA.

DOCKET NO. 870790-TL - REQUEST BY GILCHRIST COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE THROUGHOUT GILCHRIST COUNTY.

DOCKET NO. 900039-TL - RESOLUTION BY THE ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE BETWEEN THE MOUNT DORA EXCHANGE AND THE APOPKA, ORLANDO, WINTER GARDEN, WINTER PARK, EAST ORANGE, REEDY CREEK, WINDERMERE, AND LAKE BUENA VISTA EXCHANGES.

DOCKET NO. 910022-TL - RESOLUTION BY BRADFORD COUNTY COMMISSION REQUESTING EXTENDED AREA SERVICE WITHIN BRADFORD COUNTY AND BETWEEN BRADFORD COUNTY, UNION COUNTY AND GAINESVILLE.

DOCKET NO. 910029-TL - REQUEST BY VOLUSIA COUNTY COUNCIL FOR EXTENDED AREA SERVICE BETWEEN THE SANFORD EXCHANGE (OSTEEN AND DELTONA) AND THE ORANGE CITY AND DELAND EXCHANGES.

DOCKET NO. 910528-TL - REQUEST BY PUTNAM COUNTY BOARD OF COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE BETWEEN THE CRESENT CITY, HAWTHORNE, ORANGE SPRINGS, AND MELROSE EXCHANGES, AND THE PALATKA EXCHANGE.

DOCKET NO. 910529-TL - REQUEST BY PASCO COUNTY BOARD OF COUNTY COMMISSIONERS FOR EXTEND AREA SERVICE BETWEEN ALL PASCO COUNTY EXCHANGES.

DOCKET NO. 911185-TL - REQUEST FOR EXTENDED AREA SERVICE BETWEEN ALL EXCHANGES WITHIN VOLUSIA COUNTY BY VOLUSIA COUNTY COUNCIL.

DOCKET NO. 920642-TL - RESOLUTION BY CITY COUNCIL OF PORT RICHEY FOR EXTENDED AREA SERVICE BETWEEN THE HUDSON EXCHANGE AND TARPON SPRINGS, CLEARWATER, ST. PETERSBURG, AND TAMPA EXCHANGES; ALSO BETWEEN THE NEW PORT RICHEY AND CLEARWATER, ST. PETERSBURG, AND TAMPA EXCHANGES.

DOCKET NO. 921193-TL - RESOLUTION BY THE PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE BETWEEN ALL EXCHANGES IN PALM BEACH COUNTY.

DOCKET NO. 930172-TL - PETITION BY RESIDENTS OF BOCA GRANDE REQUESTING EXTENDED AREA SERVICE (EAS) BETWEEN BOCA GRANDE AND NORTH FT. MYERS, NORTH PORT, VENICE, ENGLEWOOD, PINE ISLAND, NORTH CAPE CORAL AND CAPE CORAL.

DOCKET NO. 930235-TL - RESOLUTION BY THE TAYLOR COUNTY BOARD OF COMMISSIONERS FOR COUNTYWIDE EXTENDED AREA SERVICE (EAS) WITHIN TAYLOR COUNTY.

0557-FUF

Attached is an Order , to be issued in the above-referenced docket. (Number of pages in Order - 2)

DLC/anr Attachment

cc: Division of Communications

I: 870248pa.dc