

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Resolution by Hamilton County Board of Commissioners requesting extended area service (EAS) from Hamilton County to all exchanges within Suwannee County, Columbia County and Madison County.

DOCKET NO. 970825-TL  
ORDER NO. PSC-97-0971-FOF-TL  
ISSUED: August 12, 1997

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF PROPOSED AGENCY ACTION ORDER  
DENYING REQUEST FOR EXTENDED AREA SERVICE (EAS)

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.

On June 9, 1997, the Hamilton County Board of County Commissioners submitted a resolution requesting extended area service (EAS) from Hamilton County to all exchanges within Columbia County, Suwannee County, and Madison County. Currently, Hamilton County has toll-free, intra-county calling within Columbia County.

ALLTEL Florida, Inc., (ALLTEL) serves all of the exchanges within Hamilton County and Suwannee County, as well as the Fort White and High Springs pocket exchanges within Columbia County. BellSouth Telecommunications, Inc., (BellSouth) serves the Lake City exchange which is also located in Columbia County. Sprint-Florida, Inc., (Sprint) serves all of the exchanges in Madison County. The exchanges in Columbia County, Hamilton County, and

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Suwannee County are located in the Jacksonville LATA. The exchanges in Madison County are located in the Tallahassee LATA.

ALLTEL Exchanges

Hamilton County's request for EAS involves four counties, 16 exchanges, and 78 routes. Of the 78 routes involved, 20 routes are over 40 miles long. Rule 25-4.060(1), Florida Administrative Code, requires a traffic study to be conducted to determine if a community of interest exists on the requested routes. ALLTEL serves 48 of the 78 routes involved in their entirety. In view of the fact that ALLTEL serves such a large percentage of these routes, we are concerned that requiring ALLTEL to perform a traffic study for 48 routes may be burdensome and costly to the rate-of-return local exchange company, which is contrary to Section 364.052(2)(b), Florida Statutes.

Section 364.052(2)(b), Florida Statutes, states:

(b) By January 1, 1996, the commission shall adopt, by rule, streamlined procedures for regulating companies subject to this section. These procedures shall minimize the burdens of regulation with regard to audits, investigations, service standards, cost studies, reports and other matters, and the commission shall establish, by rule, only those procedures that are cost-justified and in the public interest so that universal service may be promoted.

In addition, Rule 25-4.210(2)(a), Florida Administrative Code, which streamlines regulatory procedures for small LECs, directs us to coordinate data requests to small LECs and to weigh the benefits that would be gained from the information against the cost of compliance with the data request in order to determine whether the information is needed. In view of this, we note that our EAS rules require that the requesting party establish that a sufficient degree of community of interest exists between the requested exchanges. Normally, community of interest is determined based upon the results of a traffic study. In this instance, it is, however, unlikely that all three exchanges within Hamilton County could have a community of interest with all exchanges within Columbia County, Suwannee County, and Madison County. While traffic studies would determine whether there is, in fact, a sufficient community of interest between these exchanges, it would be unduly burdensome to the LEC to conduct traffic studies on each

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of the numerous routes at issue here. We do not believe that the benefits to be gained from the information outweigh the burden to ALLTEL. Thus, we shall not grant this request for EAS as it relates to the ALLTEL exchanges.

BellSouth and Sprint exchanges

BellSouth and Sprint opted for price regulation, effective January 1, 1996, and January 2, 1996, respectively, in accordance with Section 364.051, Florida Statutes. Pursuant to Section 364.385, Florida Statutes, any requests for EAS or extended calling service (ECS) filed after July 1, 1995, and subsequently implemented in a price-regulated LEC's territory, become a non-basic service. We cannot order a price-regulated LEC to implement a non-basic service; thus, we are without jurisdiction to require the price-regulated LECs to implement post-July 1, 1995, requests for EAS or ECS. Because Hamilton County's request was filed on June 9, 1997, the decision to implement the request is solely within the discretion of Sprint and BellSouth. Thus, we shall not grant this request for EAS as it relates to the Sprint and BellSouth exchanges.

Although we hereby deny Hamilton County's request, we suggest that the Hamilton County Board of County Commissioners reevaluate and amend its request to identify only those routes that truly warrant EAS. Hamilton County should prioritize the routes for which it seeks EAS and should include in its request an explanation as to why each route deserves toll relief.

Based on the foregoing, it is therefore

ORDERED by the Florida Public Service Commission that the request by the Hamilton County Board of County Commissioners for extended area service from Hamilton County to all exchanges in Suwannee County, Columbia County, and Madison County is denied. It is further

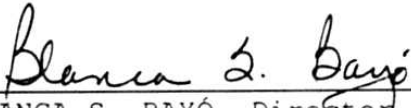
ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth

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in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

By ORDER of the Florida Public Service Commission, this 12th day of August, 1997.

  
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BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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 September 2, 1997.

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

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notice of appeal must be in the form specified in Rule 9.900(a),  
Florida Rules of Appellate Procedure.