

ORIGINAL
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Southern Bell

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E. Barlow Keener
Attorney

January 22, 1991

Mr. Steve C. Tribble
Director, Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32301

Re: Docket No. 870790-TL - Gilchrist County EAS

Dear Mr. Tribble:

Enclosed please find an original and fifteen copies of Southern Bell Telephone and Telegraph Company's Response to Gilchrist County Board of County Commissioners' Petition on Proposed Agency Action, which we ask that you file in the captioned docket.

- ACK _____
- AEA _____ A copy of this letter is enclosed. Please mark it to
- APP _____ indicate that the original was filed and return the copy to me.
- CAF _____ Copies have been served to the parties shown on the attached
- CAF _____ Certificate of Service.

CRM _____

CTP _____

EAO _____

LES 1 _____

LIV 6 Enclosures

OPR ~~cc~~ _____ All Parties of Record

RLI _____ A. M. Lombardo

SEP 1 _____ Harris R. Anthony

SDI _____ R. Douglas Lackey

WAS _____

OTH _____

Sincerely yours,

E. Barlow Keener

E. Barlow Keener

RECEIVED & FILED

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FPSC-BUREAU OF RECORDS

A BELL SOUTH Company

DOCUMENT NUMBER-DATE

00710 JAN 22 1991

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for Extended) Docket No. 870790-TL
Area Service (EAS) Through)
Gilchrist County.) Filed: January 22, 1990
_____)

**SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY'S
RESPONSE TO THE GILCHRIST COUNTY BOARD OF COUNTY
COMMISSIONERS' PETITION ON PROPOSED AGENCY ACTION**

COMES NOW Southern Bell Telephone and Telegraph Company ("Southern Bell" or "Company"), pursuant to Rule 25-22.037, Florida Administrative Code, and files its Response to Gilchrist County Board of County Commissioners' ("Gilchrist County Commissioners") Petition on Proposed Agency Action (the "Petition").

1. The Gilchrist County Commissioners, on December 27, 1990, filed their Petition asking the Florida Public Service Commission ("Commission") to waive its extended area service ("EAS") rules for Gilchrist County. For the reasons described in this response, Southern Bell believes that this Petition should be denied. To explain Southern Bell's position a brief history of this matter is set forth below.

2. On May 22, 1987, the Gilchrist County Commissioners requested that the Commission consider implementing countywide EAS in Gilchrist County, in particular in the Branford, Newberry, High Springs, and Trenton exchanges of the county. On August 6, 1987, the Commission ordered Southern Bell and ALLTEL Florida,

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Inc. ("ALLTEL") to perform traffic studies of the four areas. The Branford and High Springs exchanges are served by ALLTEL and the Newberry and Trenton exchanges are served by Southern Bell.

3. On October 6, 1987, Southern Bell filed its traffic study for the Trenton to Newberry and Newberry to Trenton routes. Trenton is the county seat of Gilchrist County. The Newberry exchange is located in Gilchrist County and Alachua County. Only twenty percent of the Newberry exchange is located in Gilchrist County.

4. Rule 25-4.060(2)(a), Florida Administrative Code, requires that:

On any given route between two exchanges, ...studies of one way traffic originating in the smaller exchange may be used, in which case the community of interest qualification will require a calling rate of three (3) or more M/M/M with at least fifty (50%) percent of the exchange subscribers making two (2) or more calls per month.

The results of the Gilchrist County traffic studies indicated that the one-way calling rates on the routes for which the traffic studies were performed fell below the threshold requirement of the Rule.

5. At the February 2, 1988 Commission Agenda Conference, the Gilchrist County Commissioners requested that a survey be performed for countywide flat rate calling. As a result, the Commission instructed Southern Bell and ALLTEL to develop countywide flat rates on which the customers could be surveyed.

ALLTEL and Southern Bell filed the requested countywide flat rates, along with a corresponding revenue impact statement. However, prior to the Commission Agenda Conference on October 18, 1988, at which the matter was to be considered, the Office of Public Counsel ("Public Counsel") requested an indefinite deferral of the matter on behalf of the Gilchrist County Commissioners.

6. As a result of a subsequent request by the Gilchrist County Commissioners, the Commission ordered Southern Bell and ALLTEL, on January 17, 1989, to perform pocket area traffic studies in Gilchrist County. The pocket traffic study for the twenty percent of the Newberry exchange located in Gilchrist County revealed that the calling rate from that portion of Newberry to Trenton was 5.44 M/M/Ms with 49.67 percent of the Newberry customers making two or more calls per month. As a result of the study, the Commission, by Order No. 23200, issued in Docket No. 880069-TL, ordered Southern Bell to implement its enhanced optional EAS ("EOEAS") on this route. The Commission, in Order No. 23856, rejected the Gilchrist County Commissioners' request for further EAS relief. On December 27, 1990, pursuant to the procedural notice set forth in Order No. 23856, issued on December 10, 1990, the Gilchrist County Commissioners petitioned the Commission for a formal proceeding in this matter and

requested that the Commission waive its EAS rules for Gilchrist County.

7. Southern Bell believes, as a result of: (1) the rationale set forth in the foregoing Commission orders; and (2) the minimal amount of traffic revealed by the traffic studies described above, that the Commission has adequately addressed the needs of the Gilchrist County citizens and that it is not necessary to waive the Commission EAS rules as requested by the Gilchrist County Commissioners.

8. In their Petition, the Gilchrist County Commissioners have stated that the Commission failed to set forth any factors which distinguish the situation of Gilchrist County from the situation of other counties in which Rule 25-4.060, Florida Administrative Code, has been waived. Although the Commission has waived the EAS rules in the past, Southern Bell continues to maintain that there is no provision in Rules 25-4.057-4.064, Florida Administrative Code, for waiving the EAS rules and, therefore, that those rules should not be waived.

9. Even if a waiver of the EAS rules were permitted, which it is not, in order to waive a rule it is necessary that the petitioner, not the Commission, request the waiver and show why a rule should be waived. See Rule 25-4.002(2), Florida Administrative Code. A comparison to cases in which the Commission has waived the EAS rules shows that the Gilchrist

County Commissioners have not made a showing adequate to support a waiver of the rule. For example, the Commission waived the EAS rules in Docket No. 871268-TL. In its Order in that docket, the Commission explained that it waived the EAS rules because the rural exchanges in Escambia County, such as Century, were dependent upon Pensacola for employment, higher education, county offices, medical and emergency services, and cultural and social events. See Order No. 21986, at p. 7. The Gilchrist County Commissioners did not show that its citizens were as dependent on its county seat as were the Escambia citizens upon Pensacola. Indeed, the proximity of Gainesville to Newberry would indicate Newberry's dependence on Gainesville rather than on Trenton. In addition, at least one route in Escambia County met the minimum EAS rule requirements. See Order No. 21986. On the other hand, none of the routes in Gilchrist County met the minimum EAS rule requirements.¹

10. Furthermore, Southern Bell believes that the Commission's Order that Southern Bell provide EOEAS service to Newberry and Trenton route is a sufficient and effective means of providing discounted telephone service between the two exchanges,


¹ While the traffic study of the pocket area of the Newberry exchange to Trenton appeared almost to meet the EAS rule requirements, the rule does not address studies of exchange pocket areas but rather complete "exchanges". Clearly, the study of any particular pocket area will not accurately reflect the calling patterns of a complete exchange area.

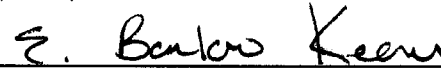
particularly when only twenty percent of the Newberry exchange participated in the Southern Bell traffic study. EOAS permits those Newberry customers who wish to call Trenton to receive discounted toll service. Such a plan ensures that the cost causer will incur the costs for the toll calls and that the Gilchrist County customers not wishing to call Trenton will not bear the burden for those customers who wish to call.

WHEREFORE, Southern Bell requests that the Commission deny Gilchrist County Commissioners' Petition.

Respectfully submitted,

SOUTHERN BELL TELEPHONE AND
TELEGRAPH COMPANY


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CERTIFICATE OF SERVICE
Docket No. 870790-TL

I HEREBY CERTIFY that a copy of the foregoing has been
furnished by United States Mail this *22* day of *January*, 1991,
to:

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