

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Resolution by Monroe) DOCKET NO. 941144-TL
County Board of Commissioners) ORDER NO. PSC-95-0513-FOF-TL
for extended area service (EAS)) ISSUED: April 26, 1995
between Big Pine Key exchange)
and Key West exchange.)
_____)

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 REQUIRING CUSTOMER SURVEY

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.

This docket was initiated pursuant to Resolution No. 309-1994 filed by the Monroe County Board of County Commissioners requesting extended area service (EAS) between the Big Pine Key exchange and the Key West exchange. BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) provides service to both the Big Pine Key and Key West exchanges. These exchanges are located within the Southeast LATA (local access transport area).

By Order No. PSC-94-1429-PCO-TL, issued November 22, 1994, the Commission required Southern Bell to conduct traffic studies on the Big Pine Key/Key West route. The Company has requested confidential treatment of its intraLATA traffic data.

The Big Pine Key exchange is an island 29 miles northeast of Key West and 128 miles southwest of Miami. The exchange is 23 square miles, and is an unincorporated locality in Monroe County. Big Pine Key is a residential bedroom community of Key West containing all the services/facilities of a small town. Residents of Big Pine Key cannot call the county seat (Key West) toll-free.

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FPSC-RECORDS/REPORTING

The Key West exchange is an island city 3 1/2 miles long 1/2 miles wide located 160 miles southwest of Miami. The total area encompassed by the exchange is 15.4 square miles. Key West has a relatively large military presence, including the Boca Chica Naval Air Station. Much of the land in the area is owned by the federal government. The area's major industry is tourism.

In order to be considered for balloting for EAS, Rule 25-4.060(3), Florida Administrative Code, requires a calling rate of at least three (3) Messages per Access Line per Month (M/A/Ms) in cases where the petitioning exchange contains less than half the number of access lines as the exchange to which extended area service is desired. This rule further requires that at least 50% of the subscribers in the petitioning exchange make two or more calls per month to the larger exchange to qualify for traditional EAS.

Based on the requirements of Rule 25-4.060(3), Florida Administrative Code, the traffic study data indicates that the Big Pine Key/Key West route does qualify for a survey for nonoptional, flat rate, two-way extended area service. Therefore, we find that the Big Pine Key subscribers shall be surveyed for nonoptional, two-way, flat rate EAS to the Key West exchange.

The subscriber survey shall be in compliance with Rule 25-4.063 F.A.C. The rule requires that the survey be conducted within forty-five (45) days of the date this order becomes final. Southern Bell shall submit the newspaper advertisement to the Commission for review prior to publication. The survey letter and ballot shall be submitted to the Commission for review prior to distribution to its customers. In addition, Southern Bell shall provide the Commission with a copy of the published newspaper advertisement and the dates run.

If the survey passes, the Enhanced Optional Extended Area Service plan on the Big Pine Key/Key West route shall be discontinued simultaneously with the implementation of EAS.

In all recent EAS dockets in which calling volumes were sufficient to warrant consideration of nonoptional, flat rate, two-way EAS, we have approved surveys with the 25/25 additive plus regrouping rather than with regrouping alone. Under the 25/25 additive plus regrouping, subscribers are charged two additives to their standard monthly rates. The 25/25 additive is twenty-five percent (25%) of the rate group schedule for the number of access lines to be added to the exchange's calling scope. The regrouping additive is the difference in rates between the exchange's original rate group and the new rate group into which the exchange will fall

with its expanded calling scope. The 25/25 additive is typically removed after two years or in a company's next rate case, whichever is later.

If two-way EAS were to be implemented on the Big Pine Key/Key West route, the Big Pine Key exchange would move from rate group 3 to 4. As a result, the Big Pine Key exchange's calling scope would increase along with its local rates.

We find that Southern Bell shall survey its Big Pine Key subscribers for nonoptional, flat rate, two-way EAS to the Key West exchange under the 25/25 additive plus regrouping at the rates listed in Table A. If the survey passes, the additive shall stay in place for at least two years after implementation or until Southern Bell's next earnings review, whichever comes later.

TABLE A

Present Rates	25/25 Additive	Regrouping	Total Additive	New Rate
R-1 \$ 8.10	\$ 2.10	\$.30	\$ 2.40	\$ 10.50
B-1 \$21.90	\$ 5.73	\$ 1.00	\$ 6.73	\$ 28.63
PBX \$37.23	\$ 9.73	\$ 1.70	\$ 11.43	\$ 48.66

The 25/25 additive shown above was derived by calculating the additional calling scope gained by the Big Pine Key subscribers. The number of access lines by which the calling scope of the Big Pine Key exchange will increase is simply the number of access lines in the Key West (23,789) exchange. This number of access lines was then applied to Southern Bell's rate group schedule to determine the 25/25 additive. With the addition of these access lines to the current calling scope in the Big Pine Key exchange (18,605), the new total would be 42,394 access lines. This will move Big Pine Key from rate group 3 to rate group 4. The Key West exchange will not regroup from gaining local calling to the Big Pine Key exchange.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Big Pine Key subscribers shall be surveyed for flat rate EAS to the Key West exchange. It is further

ORDERED that Southern Bell shall survey its Big Pine Key subscribers for nonoptional, flat rate, two-way EAS to the Key West

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exchange under the 25/25 additive plus regrouping at the rates shown in Table A, found at page 3 of this Order. If the survey passes, the additive shall stay in place for at least two years after implementation or until Southern Bell's next earnings review, whichever comes later. It is further

ORDERED that the survey shall be conducted within forty-five (45) days of the date this order becomes final. Southern Bell shall submit the newspaper advertisement to the Commission for review prior to publication. The survey letter and ballot shall be submitted to the Commission for review prior to distribution to its customers. In addition, Southern Bell shall provide the Commission with a copy of the published newspaper advertisement and the dates run. It is further

ORDERED that if the survey passes, the Enhanced Optional Extended Area Service plan on the Big Pine Key/Key West route shall be discontinued simultaneously with the implementation of EAS. 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, 101 East Gaines Street, Tallahassee, Florida 32399-0870, 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 this docket shall remain open until the conclusion of and Commission action concerning the survey.

By ORDER of the Florida Public Service Commission, this 26th day of April, 1995.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay Feign
Chief, Bureau of Records

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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, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on May 17, 1995.

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.