BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition by residents of) DOCKET NO. 941145-TL
Spruce Creek Subdivision located) ORDER NO. PSC-95-1062-FOF-TL
in Belleview exchange requesting) ISSUED: August 24, 1995
extended area service (EAS) to)
Lady Lake (753) and Leesburg)
exchanges.

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 DENYING REQUEST FOR EAS SURVEY, REQUIRING ADDITIONAL TRAFFIC STUDY AND EXCHANGE BOUNDARY CHANGE COST INFORMATION

BY THE COMMISSION:

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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 a petition filed on October 12, 1994, by the residents of Spruce Creek Subdivision which is located in the Belleview exchange. The petition requests extended area service (EAS) from the Spruce Creek Subdivision (Belleview exchange) to the Lady Lake (753) and Leesburg exchanges. These exchanges are served by United Telephone of Florida (United or the Company) and are located in the Gainesville LATA (local access and transport area).

The Commission has received several customer letters in support of EAS between the Spruce Creek Subdivision and the Lady Lake (753) and Leesburg exchanges. In addition, the Lake County Board of Commissioners, the developer of Spruce Creek Subdivision, and Citizens National Bank have filed letters in support.

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By Order No. PSC-94-1428A-PCO-TL, issued December 14, 1994, 1994, the Commission ordered United to conduct traffic studies on the Belleview/Lady Lake and Belleview/Leesburg routes.

By Order No. PSC-95-0412-PCO-TL, issued March 24, 1995, the Commission ordered United to conduct a supplemental traffic study from the Spruce Creek subdivision pocket of the Belleview exchange to the Lady Lake, Leesburg and Wildwood exchanges.

The Belleview exchange is located in Marion County and consists of 113.1 square miles. The incorporated city of Belleview is located in the northern portion of the exchange. All emergency services, educational facilities, and governmental offices are provided through Marion County or the city of Belleview which can be accessed toll-free.

The Spruce Creek area of the Belleview exchange is located in southern Marion County. United states that this area is mostly single-family residential retirement-age customers (97% of the access lines are residential).

The Lady Lake (753) exchange is located primarily in Lake County (32 square miles) with a portion of the exchange located in Sumter County (1.2 square miles). The incorporated city of Lady Lake is in the southern portion of the Lake County section of the exchange. The Lady Lake exchange currently has EAS to Tavares, the county seat of Lake County. Sumter County services are provided out of the Bushnell exchange, which is a toll call for the customers located in the Sumter County portion of the Lady Lake exchange.

The Leesburg exchange covers approximately 119.2 square miles with the majority of the area located in Lake County and with 1.2 square miles in Sumter County. The exchange contains the incorporated cities of Leesburg and Fruitland Park. Lake County services are provided toll-free out of Tavares, which is the county seat. Services for Sumter County are furnished out of the Bushnell exchange, which is a toll call.

The calling volumes and distribution factors are listed in Table A on the following page.

INTEREXCHANGE CALLING RATE		
FROM/TO	CALLING RATE M/A/M	CUSTOMERS MAKING 2+ CALLS PER MONTH
Belleview (Spruce Creek pocket)/Lady Lake (753)	2.14	37.00%
Belleview/Lady Lake 753)	.74	10.00%
Belleview (Spruce Creek pocket)/Leesburg	2.13	31.00%
Belleview/Leesburg	1.03	13.00%
Lady Lake (753)/ Belleview (Spruce Creek pocket)	.20	3.00%
Lady Lake/Belleview	1.37	17.00%
Leesburg/Belleview (Spruce Creek pocket)	.07	1.00%
Leesburg/Belleview	.56	7.00%

TABLE A

Section 364.385(2), Florida Statutes (1995), provides that all applications for extended area service, or extended calling service pending before the Commission on March 1, 1995, shall be governed by the law as it existed prior to July 1, 1995. Because this EAS docket was pending prior to March 1, 1995, the Commission's existing EAS rules should apply. Therefore, Rule 25-4.060(3), Florida Administrative Code, requires a calling rate of at least three M/A/Ms (Messages per Access Line per Month) in cases where the petitioning exchange contains less than half the number of access lines as the exchange to which EAS 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. Because this EAS docket was pending prior to March 1, 1995, the Commission's existing EAS rules should apply. Therefore, Rule 25-4.060(3), Florida Administrative Code, requires a calling rate of at least three M/A/Ms (Messages per Access Line per Month) in cases where the petitioning exchange contains less than half the number of access lines as the exchange to which EAS is desired.

Based on the traffic study provided by the company, none of the routes under consideration in this docket meet the M/A/M or distribution requirements to qualify for nonoptional two-way, flat

rate EAS. Therefore, we find that the calling rates on the routes do not qualify for a survey for nonoptional, flat rate, two-way EAS.

The traffic study data which forms the basis of the determination that these routes do not qualify was compiled in October, 1994. The study indicates the calling rates and distribution on the routes including the Spruce Creek pocket area do not exhibit a sufficient community of interest and thus do not warrant an alternative toll plan. It has been represented that since that time, a significant increase in the number of residents in the Spruce Creek subdivision has occurred. Thus, the data that forms the basis of evaluation for alternative toll plans might be outdated. Further, we have in the past, ordered local exchange boundary changes to offer toll relief in situations where the requirements of Rule 25-4.060(3), Florida Administrative Code preclude an EAS survey.

To assure that our decision concerning an alternative toll plan or a boundary change is based on the most current information available, United is directed to conduct exchange-wide traffic studies on the Belleview/Lady Lake and Belleview/Leesburg routes, with supplemental information for the Spruce Creek subdivision. Further the company is directed to provide all information necessary to establish the cost of effecting a boundary change for the Spruce Creek subdivision. The docket shall remain open pending the submission, evaluation and decision of this additional information.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the calling rates on the routes do not qualify for a survey for nonoptional, flat rate, two-way Extended Area Service. It is further

ORDERED that the above-stated provision 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 Blvd., 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 United shall submit exchange-wide traffic studies on the Belleview/Lady Lake and Belleview/Leesburg routes, with supplemental information for the Spruce Creek subdivision. It is further

ORDERED that United shall submit all information necessary to establish the cost of effecting a boundary change for the Spruce Creek subdivision.

ORDERED that this docket shall remain open pending receipt of and decision concerning the additional traffic studies and exchange boundary change information.

By ORDER of the Florida Public Service Commission, this 24th day of August, 1995.

BLANCA S. BAYÓ, Director Division of Records and Reporting

by: Chief, Buleau of Lecords

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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 proposel 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 <u>September 14, 1995</u>.

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.