MACFARLANE AUSLEY FERGUSON & MCMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET P.O. BOX 391 (ZIP 32302) TALLAHASSEE, FLORIDA 32301 (904) 224-9115 FAX (904) 222-7560

March 11, 1996

400 CLEVELAND STREET P. O. BOX 1669 (ZIP 34617) CLEARWATER, FLORIDA 34615 (813) 441-8966 FAX (813) 442-8470

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IN REPLY REFER TO:

Tallahassee

BY HAND DELIVERY

III MADISON STREET, SUITE 2300

P.O. BOX 1531 (ZIP 33601)

TAMPA, FLORIDA 33602

(813) 273-4200 FAX (813) 273-4396

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

> Re: Petition by the residents of Polo Park requesting extended area service (EAS) between the Haines City exchange and the Orlando, West Kissimmee, Lake Buena Vista, Windermere, Reedy Creek, Winter Park, Clermont, Winter Garden and St. Cloud exchanges Docket No. 930173-TL

Dear Ms. Bayo:

JJW/csu Enclosures

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<u>CC</u>: All parties of record

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EOH:

SEC

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Enclosed for filing in the above-styled docket are the original and fifteen (15) copies of United Telephone Company of Florida and Central Telephone Company of Florida's Direct Testimony of Sharon E. Harrell.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer. ACK ___

Thank you for your assistance in this matter.

Sincere Wahlen

DOCUMENT NUMBER-DATE 02960 MAR 11 # FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U. S. Mail or hand delivery (*) this 11th day of March, 1996, to the following:

Donna Canzano * Division of Legal Services Florida Public Service Comm. 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Nancy H. Sims BellSouth Telecommunications 150 S. Monroe Street, Suite 400 Tallahassee, FL 32301

Beverly Y. Menard c/o Ken N. Waters 106 E. College Ave., Suite 1440 Tallahassee, FL 32301 John Hilkin 235 Jackson Park Avenue Davenport, FL 33837

Lynn B. Hall Vista-United Telecommunications P. O. box 10180 Lake Buena Vista, FL 32830

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UNITED TELEPHONE COMPANY OF FLORIDA CENTRAL TELEPHONE COMPANY OF FLORIDA DOCKET NO. 930173-TL FILED: March 11, 1996

1		BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
2		DIRECT TESTIMONY
3		OF
4		SHARON E. HARRELL
5		
6	Q.	Please state your name, business address and title.
7		
8	A.	My name is Sharon E. Harrell. My business address is
9		Office Box 165000, Altamonte Springs, Florida,
10		32716-5000.
11		
12		I am Tariff Manager - Exchange Services for United
13		Telephone Company of Florida ("Sprint-United") and
14		Central Telephone Company of Florida ("Sprint-Centel").
15		This docket only involves Sprint-United.
16		
17	Q.	Please describe your previous work experience.
18		
19	Α.	I began my career in 1964 when I joined United Telephone
20		of Ohio as a long distance operator. In 1973, I
21		transferred to the position of Service Representative in
22		the Business Office. In 1977, I relocated to Florida and
23		began work as a long distance operator with United
24		Telephone of Florida. I transferred to the Business
25		Office in 1978 in the capacity of SerDocomENTNUMBER-DATE
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FPSC-RECORDS/REPORTING

In 1980, I was promoted to the position of Business 1 Office Supervisor. I moved to the Staff Administrator 2 Customer Service position in 1986. In that position I 3 was responsible for providing support and direction to 4 eight business offices and two collection offices for 5 United. 6 7 I began my present assignment in 1993. 8 9 Have you previously testified before the Commission ? 10 **Q**. 11 12 Α. Yes. Ι was the witness for Sprint-United and Sprint-Centel in Docket No. 941281-TL, which dealt with 13 the proper tariffing of telephone service for elevators 14 15 and common areas within residential facilities. 16 What is the purpose of your testimony? 17 Q. 18 19 Α. The purpose of my testimony is to address the issues in this docket. My testimony is based upon traffic studies 20 21 conducted by Sprint-United in this docket involving the 22 interLATA long distance routes between GTE's Haines City 23 Exchange and Sprint-United's Windermere, Reedy Creek, 24 Winter Park, Clermont, Winter Garden, St. Cloud, 25 Kissimmee and West Kissimmee Exchanges.

What is Sprint-United's position in this docket? 1 Q. 2 Traffic study results on the routes in this docket A. 3 reflected that calling rates from the Sprint-United 4 exchanges to the Haines City Exchange were not sufficient 5 to meet the requirements for messages per access line per 6 month (M/A/Ms) or distribution to qualify for balloting 7 for flat rate, non-optional Extended Area Service (EAS) 8 9 on any of the routes. Rather, the calling patterns on these routes do not support the implementation of any 10 form of toll relief. 11 12 Please explain more fully the results of the traffic 13 Q. studies conducted by Sprint-United. 14 15 The traffic studies were conducted on the following 16 Α. 17 routes: Kissimmee, West Kissimmee to Haines City (excluding 18 the Poinciana 427 pocket) 19 Windermere, Reedy Creek, Clermont, Winter Garden, 20 21 Winter Park and St. Cloud to Haines City 22 Windermere, Reedy Creek, Clermont, Winter Garden, 23 Winter Park and St. Cloud to Haines (including the 24 Poinciana 427 pocket). 25

The results of all the studies reflected insufficient 1 usage on both the calls per access line (M/A/Ms) and the frequency distribution, or number of subscribers making 2 or more calls, to meet the existing FPSC Rules for balloting.

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Some additional observations based on customer usage data 7 on the routes studied in this docket are: 8

9 Kissimmee and West Kissimmee to Haines City (except 427 pocket): 10

On both routes 90% of the residential 11 12 customers made no calls

Winter Park, Windermere, Winter Garden, Clermont, 13 14 St. Cloud and Reedy Creek to Haines City:

15 On the route with the highest calling volume, 92% of the residential customers made no calls 16 Winter Park, Windermere, Winter Garden, Clermont, 17 18 St. Cloud and Reedy Creek to Haines City (427 pocket only): 19

20 On the route with the highest calling volume, 98% of the residential customer made no calls 21 22

Is there sufficient community of interest on the routes 23 Q. in this docket to justify surveying for non-optional flat 24 rate EAS? 25

The Florida Public Service Commission 1 Α. No. Rule 25-4.060(3), Florida Administrative Code, requires a 2 preliminary showing that there is a community of interest 3 4 sufficient to warrant further EAS proceedings. Α sufficient community of interest exists when the calling 5 rate exceeds 2 M/A/Ms and 50% of the subscribers make 2 6 7 or more calls per month.

8

Though the calling rates from the requesting exchange 9 10 remain unknown, the history on previously studied routes 11 can be used to provide estimates. I reviewed the two-way calling on fourteen intraLATA routes that were studied by 12 13 Sprint-United. Calls placed in both directions reflected 14 a varying difference in call volume with 51% being the most extreme difference of full exchange calling rates. 15 Even using the most extreme case of 51% more calls in one 16 17 direction than the other, based on the call volumes on 18 the routes in this docket, none would come close to meeting the Commission requirements for balloting for 19 20 non-optional flat rate EAS. In fact, even if you multiplied the calls on the routes in this docket by five 21 22 (5), the resulting M/A/Ms would still fall short of 23 existing Commission requirements for balloting. Based on 24 this information, the calling patterns on these routes do not support the implementation of any form of toll relief. 25

Q. What other community of interest factors should be considered in determining if either an optional or non-optional InterLATA toll alternative should be implemented?

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A. In addition to considerations provided for in the
commission rules, there are some factors often mentioned
by subscribers desiring EAS. Such factors may include
the location of schools, fire/police departments, medical
emergency facilities, and county government.

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12 The requesting exchange, Haines City, is located in Polk 13 County. None of the above community of interest factors 14 for the Sprint-United exchanges are located in Polk 15 County, and we are not aware of any additional community 16 of interest factors for the Haines City exchange that 17 would justify balloting for non-optional flat rate EAS.

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19 Q. Should the commission determine that an alternative toll 20 plan such as ECS should be implemented, what is the 21 economic impact on the Company?

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A. Based on the monthly calling volume reflected in the
 traffic studies, the estimated annual revenue impact to
 the Company would be a loss of \$218,000. These dollars

do not reflect the additional costs for facilities that would be required to carry the traffic, or the costs for switch translations, directories and directory assistance allowance, or other administrative costs associated with the implementation of the toll alternative. Does that conclude your direct testimony? Q. Yes. Α.

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