FLORIDA PUBLIC SERVICE COMMISSION Capital Circle Office Center • 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

KEMORANDUM

September 26, 1996

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

PROM: DIVISION OF COMMUNICATIONS (SHELFER)

RE: DOCKET NO. 301281-TL - PETITION BY SUBSCRIBERS OF THE GROVELAND EXCHANGE FOR EXTENDED AREA SERVICE (EAS) TO THE ORLANDO, WINTER GARDEN, AND WINDERMERE EXCHANGES.

DOCKET NO. 930173-TL - 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. 930235-TL - RESOLUTION BY THE TAYLOR COUNTY LOARD OF COMMISSIONERS FOR COUNTYWIDE EXTENDED AREA SERVICE (EAS) WITHIN TAYLOR COUNTY.

DOCKET NO. 870248-TL - RESOLUTION BY HOLMES COUNTY BOARD OF COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE IN HOLMES COUNTY.

DOCKET NO. 870790-TL - REQUEST BY GILCHRIST COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE THROUGHOUT GILCHRIST COUNTY.

DOCKET NO. 900039-TL - RESOLUTION BY THE ORLANDO COUNTY BOARD OF COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE BETWEEN THE MT. DORA EXCHANGE AND THE APOPKA, ORLANDO, WINTER GARDEN, WINTER PARK, EAST ORANGE, REEDY CREEK, WINDERMERE, AND LAKE BUENA VISTA EXCHANGES.

DOCKET NO 910022-TL - RESOLUTION BY BRADFORD COUNTY COMMISSION REQUESTING EXTENDED AREA SERVICE WITHIN BRADFORD COUNTY AND GAINESVILLE.

DOCKET NO. 910029-TL - REQUEST BY VOLUSIA COUNTY COUNCIL FOR EXTENDED AREA SERVICE BETWEEN THE SANFORD EXCHANGE (OSTEEN AND DELTONA) AND THE ORANGE CITY AND DELAND EXCHANGES.

DOCUMENT NO. 10315-96

DOCKET NO. 941281-TL, 930173-TL, 930235-TL, 870248-TL, 870790-TL, 900039-TL, 910022-TL, 910029-TL, 910528-TL, 910529-TL, 911185-TL, AND 921193-TL

DATE: OCTOBER 8, 1996

- The hearing for Docket No. 930235-TL (Taylor County), originally scheduled for October 16, 1996, has been rescheduled until February 8, 1997. The parties involved agree that the delay is necessary to allow time to review the Act and its impact on BellSouth's interLATA routes.
- By Order No. PSC-96-0557-FOF-TL, issued April 25, 1996, the Commission ordered BCS on the interLATA BellSouth routes listed below in Table A. BellSouth was ordered to seek approval from the Federal Communications Commission (FCC) to carry interLATA traffic on these routes.

TABLE A

FROM	70	DOCKET NO.	LOCAL EXCHANGE COMPANY (IES) INVOLVED
Graceville	Ponce Deleon	870248-TL	Centel and Southern Bell
Graceville	Defuniak Springs	870248-TL	Centel and Southern Bell
Sanford	Deland	910029-TL	Southern Bell
Mt. Dora	Orlando	900039-TL	United and Southern Bell
Trenton	Branford	870790-TL	Southern Bell and ALLTEL
Trenton	High Springs	870790-TL	Southern Bell and ALLTEL
Lawtey	Gainesville	910022-TL	Centel and Southern Bell
Raiford	Gainesville	910022-TL	ALLTEL and Southern Bell
Starke	Gainesville	910022-TL	Centel and Southern Bell
Hawthorne	Interlachen	910528-TL	Southern Bell and ALLTEL
Hawthorne	Palatka	910528-TL	Southern Bell and ALLTEL
Keystone Heights	Palatka	910528-TL	Southern Bell

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DOCKET NO. 910029-TL - REQUEST BY VOLUSIA COUNTY COUNCIL FOR EXTENDED AREA SERVICE BETWEEN THE SANFORD EXCHANGE (OSTEEN AND DELTONA) AND THE ORANGE CITY AND DELAND EXCHANGES.

DOCUMENT NO. 10315-96 SEP 262 DOCKET NO. 941281-TL, 930173-TL, 930235-TL, 870248-TL, 870790-TL, 900039-TL, 910022-TL, 910029-TL, 910528-TL, 910529-TL, 911185-TL,

AND 921193-TL DATE: OCTOBER 8, 1996

> DOCKET NO. 910528-TL - REQUEST BY PUTNAM COUNTY BOARD OF COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE BETWEEN THE CRESCENT CITY, HANTHORNE, ORANGE SPRINGS, AND MELROSE EXCHANGES, AND THE PALATEA EXCHANGE.

> DOCKET NO. 910529-TL - REQUEST BY PASCO COUNTY BOARD OF COMMISSIONERS FOR EXTENDED AREA SERVICE BETWEEN ALL PASCO COUNTY EXCHANGES.

DOCKET NO. 911185-TL - REQUEST FOR EXTENDED AREA SERVICE BETWEEN ALL EXCHANGES WITHIN VOLUSIA COUNTY BY VOLUSIA COUNTY COUNCIL.

DOCKET NO. 921193-TL - RESOLUTION BY THE PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE BETWEEN ALL EXCHANGES IN PALM BEACH COUNTY.

AGENDA: OCTOBER 8, 1996 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:\PSC\CMU\WP\941281TL.RCM

CASE BACKGROUND

- By Order No. PSC-96-1033-PCO-TL, in Docket No. 941281-TL (Groveland/Orlando route), issued August 8, 1996, the Commission required the parties to brief the issue of the feasibility of implementing either extended area service (EAS) or extended calling service (ECS) on the Groveland to Orlando interLATA route based on Sections 271 and 272 or the Telecommunications Act of 1996 (Act) or Chapter 364, Florida Statutes.
- On June 14, 1996, both the customer and technical hearings were held in Docket No. 930173-TL (Polo Park). Because one of the routes in this docket involve a BellSouth exchange (Orlando), the recommendation has been delayed until the Commission can determine the impact of the Act. The petitioner was informed of this decision.

DOCKET NO. 941281-TL, 930173-TL, 930235-TL, 870248-TL, 870790-TL, 900039-TL, 910022-TL, 910029-TL, 910528-TL, 910529-TL, 911185-TL, AND 921193-TL

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- The hearing for Docket No. 930235-TL (Taylor County), originally scheduled for October 16, 1996, has been rescheduled until February 8, 1997. The parties involved agree that the delay is necessary to allow time to review the Act and its impact on BellSouth's interLATA routes.
- By Order No. PSC-96-0557-FOF-TL, issued April 25, 1996, the Commission ordered ECS on the interLATA BellSouth routes listed below in Table A. BellSouth was ordered to seek approval from the Federal Communications Commission (FCC) to carry interLATA traffic on these routes.

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Hawthorne	Palatka	910528-TL	Southern Bell and ALLTEL	
Keystone Heights	Palatka	910528-TL	Southern Bell	

DOCKET NO. 941281-TL, 930173-TL, 930235-TL, 870248-TL, 870790-TL, 900039-TL, 910022-TL, 910029-TL, 910528-TL, 910529-TL, 911185-TL,

AND 921193-TL

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Keystone Heights	Interlachen	910528-TL	Southern Bell and ALLTEL
Keystone Heights	Florahome	910528-TL	Southern Bell and ALLTEL
Melrose	Palatka	910528-TL	ALLTEL and Southern Bell
Orange Springs	Palatka	910528-TL	ALLTEL and Southern Bell
Hudson	Brooksville	910529-TL	GTEPL and Southern Bell
DeBary	Daytona Beach	911185-TL	Southern Bell
DeBary	New Smyrna Bch	911185-TL	Southern Bell
DeBary	DeLeon Springs	911185-TL	Southern Bell
DeBary	Oak Hill	911185-TL	Southern Bell
DeBary	Pierson	911185-TL	Southern Bell
Orange City	Daytona Beach	911185-TL	United and Southern Bell
Orange City	New Smyrna Bch	911185-Tl	United and Southern Bell
Orange City	Oak Hill	911185-Tl	United and Southern Bell
Orange City	Pierson	911185-Tl	United and Southern Bell
Orange City	DeLeon Springs	911185-TL	United and Southern Bell
Sanford	Daytona Beach	911185-TL	Southern Bell
Sanford	DeLeon Springs	911185-TL	Southern Bell
Sanford	New Smyrna Bch	911185-TL	Southern Bell
Sanford	Oak Hill	911185-TL	Southern Bell
Sanford	Pierson	911185-TL	Southern Bell
Clewiston	Belle Glade	921193-TL	United and Southern Bell

DOCKET NO. 941281-TL, 930173-TL, 930235-TL, 870248-TL, 870790-TL, 900039-TL, 910022-TL, 910029-TL, 910528-TL, 910529-TL, 911185-TL, AND 921193-TL

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DISCUSSION OF ISSUES

ISSUE 1: What action should the Commission take to address the impact of the Telecommunications Act of 1996 regarding pending interLATA BellSouth routes?

RECOMMENDATION: A staff workshop should be conducted to determine the impact of the Act on pending interLATA BellSouth routes. This will allow all affected parties an opportunity to participate.

STAFF ANALYSIS: In Docket No. 941281-TL, the Commission ordered the parties to file briefs regarding the issue of the feasibility of implementing either extended area service (EAS) or extended calling service (ECS) on the Groveland to Orlando interLATA route based on Sections 271 and 272 of the Telecommunications Act of 1996 (Act) or Chapter 364, Florida Statutes. See Order No. PSC-96-1033-PCO-TL, issued August 8, 1996. Based on the briefs, there does not appear to be any vehicle for implementing interLATA EAS or ECS. However, this conclusion is only tentative since parties to other proceedings may identify some avenue which has not yet been considered.

The Commission was concerned that under Section 271 of the Act, Bell operating companies (BOCs) are prohibited from at least originating interLATA traffic, until they meet certain conditions including a "competitive checklist." Their ability to terminate such traffic is also less than clear.

Under Section 272 of the Act, even after it meets the requirements of Section 271, a Bell operating company may only originate interLATA telecommunications services through a separate and independent affiliate. For BellSouth, this would presumably be either its interexchange carrier (IXC) or alternative local exchange company (ALEC) affiliate.

It does not appear that BellSouth's IXC affiliate could carry either EAS or ECS traffic without running afoul of Sections 364.08, 364.09, and/or 364.10, Florida Statutes. As for BellSouth's ALEC affiliate, we question whether we have the statutory authority to order it to implement an EAS or ECS plan. Specifically, the issues are as follows:

 Does the Act prohibit BellSouth from originating BAS or BCS traffic from the routes in question? DOCKET NO. 941281-TL, 930173-TL, 930235-TL, 870248-TL, 870790-TL, 900039-TL, 910022-TL, 910029-TL, 910528-TL, 910529-TL, 911185-TL, AND 921193-TL
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2. Does the Act allow BellSouth to terminate RAS or RCS traffic from the Groveland exchange?

3. Can BellSouth's IXC affiliate carry RAS or RCS

- 3. Can BellSouth's IXC affiliate carry RAS or RCS traffic without violating Sections 364.08, 364.09, and/or 364.10, Florida Statutes, or the Telecommunications Act of 1996?
- 4. Can the Commission require BellSouth's ALEC affiliate to carry BAS or BCS traffic?
- 5. How can BAS or BCS be implemented without violating either the Act or Chapter 364, Florida Statutes?

There are a number of dockets in various procedural stages that are affected by the Commission's interpretation of Sections 271 and 272 of the Act. One docket is post-hearing (930173-TL - Polo Park); one docket is set for hearing in February, 1997 (930235-TL - Taylor County); and for the other dockets, the Commission ordered BellSouth to seek a waiver from the FCC of the Act's requirements.

Staff believes that a staff workshop should be conducted to obtain additional information and allow all affected parties an opportunity to participate. After the workshop is held, staff plans to take one recommendation to the Commission regarding the legal issues in all of these dockets. This will allow the Commission to collectively make one determination on the legal issues. Separate recommendations will be filed regarding the remaining factual issues.

ISSUE 2: Should these dockets be closed?

RECOMMENDATION: No. These dockets should remain open pending the outcome of the workshop.

STAFF ANALYSIS: No. These dockets should remain open pending the outcome of the workshop.