

ORIGINAL

Legal Department

NANCY B. WHITE
Assistant General Counsel-Florida

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(305) 347-5558

February 23, 1998

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

Re: Docket No. 930235-TL (EAS Taylor County)

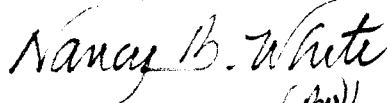
Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Brief of the Evidence, which we ask that you file in the above-captioned matter.

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

ACK _____
AFA _____
APP _____
CAF _____
CMU Shelfer
CTR _____
EAG _____
LEG 1
LIN 3
OPC _____
RCH _____
SEC 1
WAS _____
OTH _____

Sincerely,



Nancy B. White (BW)

cc: All parties of record
A. M. Lombardo
R. G. Beatty
William J. Ellenberg II

DOCUMENT NUMBER-DATE

02519 FEB 23 88

FPSO-R/RECORDS/REPORTING

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Resolution By The TAYLOR
COUNTY BOARD OF COMMISSIONS
For Countywide Extended Area Service
(EAS) within Taylor County

Docket No. 930235-TL

Filed: February 23, 1998

**BELLSOUTH TELECOMMUNICATIONS, INC.'S
BRIEF OF THE EVIDENCE**

Nancy B. White
George B. Hanna
c/o Nancy Sims
150 South Monroe Street, #400
Tallahassee, Florida 32301

William J. Ellenberg, II
Gregory D. Artis
Suite 4300, BellSouth Ctr.
675 W. Peachtree Street, N.E.
Atlanta, Georgia 30375

ATTORNEYS FOR BELLSOUTH
TELECOMMUNICATIONS, INC.

OF COUNSEL:

Margaret H. Greene
Suite 4504, BellSouth Ctr.
675 W. Peachtree Street, N.E.
Atlanta, Georgia 30375

DOCUMENT NUMBER-DATE

02519 FEB 23 88

FPSC-RECORDS/REPORTING

TABLE OF CONTENTS

Statement of the Case 3

Statement of Basic Position 4

ISSUE NO. 1: Is there a sufficient community of interest on the Cross City (Taylor County pocket)/Keaton Beach, and Cross City (Taylor County pocket)/Perry routes to justify surveying for nonoptional extended area service as currently defined in the Commission rules or implementing an alternative interLATA toll plan? 4

ISSUE NO. 2: If a sufficient community of interest is found on either of the routes identified in Issue 1, what is your position regarding each of the following plans (summarize I chart form and discuss in detail) and how should they be implemented? 5

a) EAS with 25/25 plan and regrouping;

b) Alternative InterLATA toll plan; and

c) Other (specify)

ISSUE NO. 3: Should subscribers be required to pay an additive as a prerequisite to surveying for flat rate, two way nonoptional extended area service? If so, who should pay the additive, how much of a payment is required, and how long should it last? 6

ISSUE NO. 4: If a sufficient community of interest is found, what are the appropriate rates and charges for any alternative plan and how should it be implemented on either of the routes identified in Issue 1? 7

ISSUE NO. 5: If EAS or any alternative plan is determined to be appropriate, which customers should be surveyed? 8

CONCLUSION: 8

STATEMENT OF THE CASE

This docket was opened in response to a resolution filed by the Board of County Commissioners of Taylor County requesting extended area service (EAS) between all exchanges in Taylor County. Taylor County contains all or part of the Perry, Keaton Beach, and Cross City exchanges. The Cross City exchange is served by BellSouth Telecommunications, Inc. (BellSouth) and is located in the Gainesville LATA, while the Perry and Keaton Beach exchanges are served by Gulf Telephone Company (GTC) and are located in the Tallahassee LATA.

By Order No. PSC-96-0557-FOF-TL, issued April 25, 1996, the Commission set this matter for hearing on community of interest issues because BellSouth was unable to provide interLATA traffic data from its exchange to the other Taylor County exchanges. By Order No. PSC-96-1007-PCO-TL, issued August 6, 1996, the Commission extended the procedural dates in the docket to allow it time to review the impact of the Telecommunications Act of 1996 (the Act) on pending requests for interLATA EAS on BellSouth routes.

By Order No. PSC-97-1317-PCO-TL, issued October 23, 1997, the Commission reset this docket for hearing on community of interest issues. Pursuant to the Commission's Order, the customer and technical hearing was held on January 29, 1998, in Steinhatchee, Florida.

STATEMENT OF BASIC POSITION

The routes at issue in this docket, that involve a BellSouth exchange, are the Cross City to Keaton Beach and the Cross City to Perry routes; Cross City is a BellSouth exchange. Because these are interLATA routes, BellSouth has no traffic data. Without this data, BellSouth cannot take a position as to whether a sufficient community of interest exists to justify surveying for non-optional flat rate Extended Area Service (EAS). BellSouth does not recommend that Extended Calling Service (ECS) be adopted by the Commission as an alternative toll plan because the provision of ECS requires an FCC waiver; the FCC has indicated in FCC Order 97-244 that the only form of waiver it will approve is for non-optional flat rate EAS. Accordingly, if the Commission finds a sufficient community of interest to exist and if BellSouth were ordered to provide flat rate EAS, one alternative would be to utilize the 25/25 plan with regrouping.

Issue 1: Is there a sufficient community of interest on the Cross City (Taylor County pocket)/Keaton Beach, and Cross City (Taylor County pocket)/Perry routes to justify surveying for nonoptional extended area service as currently defined in the Commission rules or implementing an alternative interLATA toll plan?

* * Position: BellSouth has no position as to whether non-optional, flat rate EAS is appropriate. In the absence of traffic data, BellSouth can reach no conclusion as to whether a community of interest exists. If the Commission orders an alternative plan, BellSouth believes the 25/25 plan with regrouping is the most appropriate.

The routes at issue in this docket, the Cross City to Keaton Beach and the Cross City to Perry routes, are interLATA routes. Accordingly, BellSouth has no traffic data to

determine whether there is a sufficient community of interest to justify surveying for nonoptional extended area service as currently defined in the Commission rules. (Tr., p.85). If the Commission finds a sufficient community of interest and orders an alternative plan, the only type of waiver that BellSouth could obtain from the FCC is for non-optional flat rate EAS between BellSouth's Cross City pocket of customers located in Taylor County and the GTC exchanges of Keaton Beach and Perry. (Tr., p.86). BellSouth believes the 25/25 plan with regrouping to be the most appropriate alternative plan non-optional flat rate EAS. (Tr., p.86).

Issue 2: If a sufficient community of interest is found on either of the routes identified in Issue 1, what is your position regarding each of the following plans (summarize in chart form and discuss in detail) and how should they be implemented?

- a) EAS with 25/25 plan and regrouping;
- b) Alternative InterLATA toll plan; and
- c) Other (specify)

* * Position:

Plan	Position
EAS with 25/25 plan and regrouping	Appropriate
Alternative InterLATA toll plan	Inappropriate
Other	Inappropriate

Pursuant to FCC Order 97-244, the only form of waiver that the FCC will approve is for non-optional flat rate EAS. Accordingly, if the Commission determines that a sufficient community of interest exists, as stated earlier, the only type of waiver that BellSouth could obtain from the FCC is for non-optional flat rate EAS. Because Cross

City customers (located in the 352 Numbering Plan area (NPA)) versus Keaton Beach and Perry customers (located in the 850 NPA) do not share a common NPA, it would be difficult to provide 7-digit dialing on these routes and customer confusion could occur. (Tr., p. 87).

Based on Commission Order No. PSC-96-0558-FOF-TP in Docket No. 960090-TP (addressing appropriate dialing patterns for various local and toll scenarios) the recommended dialing pattern for inter and intra NPA EAS is 10-digits. Therefore, if flat rate EAS is ordered on these routes, 10 digit dialing should be required. (Tr., p. 87).

Issue 3: Should subscribers be required to pay an additive as a prerequisite to surveying for flat rate, two way nonoptional extended area service? If so, who should pay the additive, how much of a payment is required, and how long should it last?

* * Position: Yes. If flat rate, non-optional EAS is ordered, the pocket area subscribers should pay an additive sufficient to allow BellSouth to recover the costs of implementation. The most commonly used additive in recent years has been the 25/25 plan with regrouping.

The subscribers in the pocket area should be required to pay an additive sufficient to allow BellSouth to recover the costs of implementing the plan. (Tr., p. 88). The most commonly used type of additive in recent years has been the 25/25 plan with regrouping. Because this EAS request involves an interLATA pocket, there will be additional costs associated with providing EAS to the pocket. The amount of the additive should, therefore, reflect the actual costs to provide EAS. (Tr., p. 88). As noted in Exhibit NHS-

1 to Nancy Sims' testimony, BellSouth will incur network and administration costs, as well as an undetermined loss of access revenue. Assuming existing network facilities may be used, the network cost is \$85,000. BellSouth will need to establish two DS1's (48 trunks) between the Cross City switch and the Perry switch. Additionally, the administration costs include \$100,000 for billing changes, translations and training.

The following additives are proposed for the BellSouth pocket area of Taylor County for calling into Keaton Beach and Perry utilizing the 25/25 plan with regrouping (Cross City will be regrouped from rate Group 2 to Rate Group 3):

<u>Class of Service</u>	<u>25/25 Additive</u>
Residence	\$2.03
Business	\$5.48
PBX Trunk	\$9.31

(TR., p. 90). The above additives should remain in effect for a sufficient period of time to allow for the recovery of costs incurred by BellSouth. (Tr., p. 88).

Issue 4: If a sufficient community of interest is found, what are the appropriate rates and charges for any alternative plan and how should it be implemented on either of the routes identified in Issue 1?

**** Position:** If a sufficient community of interest exists, the following rates are proposed for the BellSouth pocket area of Taylor County for calling into Keaton Beach and Perry utilizing the 25/25 plan with regrouping:

<u>Class of Service</u>	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>25/25 Additive</u>	<u>Total Rate</u>
Residence	\$ 7.70	\$ 8.10	\$2.03	\$10.13
Business	\$20.80	\$21.90	\$5.48	\$27.38
PBX Trunk	\$35.36	\$37.23	\$9.31	\$46.54

Issue 5: If EAS or any alternative plan is determined to be appropriate, which customers should be surveyed?

* * Position: With a typical EAS request, the entire Cross City exchange would be surveyed. If the Commission decides that there is sufficient community of interest to survey for non-optional EAS, then the pocket area of Taylor County in BellSouth's territory should be surveyed.

CONCLUSION

BellSouth does not advocate establishing traditional flat rate non-optional EAS between its customers located in the pocket area of Taylor County and the GTC exchanges in Taylor County. EAS in this interLATA pocket will create routing and management problems for both BellSouth and GTC. If the Commission does determine, however, that there is a sufficient community of interest to order a survey of non-optional flat rate two way EAS, BellSouth should be permitted to recover its costs through the additive charged to its customers in Taylor County.

Respectfully submitted, this 23rd day of February, 1998.

BELLSOUTH TELECOMMUNICATIONS, INC.

Nancy B. White (JW)

Nancy B. White
George B. Hanna
c/o Nancy Sims
150 South Monroe Street, #400
Tallahassee, Florida 32301

William J. Ellenberg II (JW)

William J. Ellenberg, II
Gregory D. Artis
Suite 4300, BellSouth Ctr.
675 W. Peachtree Street, N.E.
Atlanta, Georgia 30375

**CERTIFICATE OF SERVICE
DOCKET NO. 930235-TL**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served
by U.S. Mail this 23rd day of February, 1998 to the following:

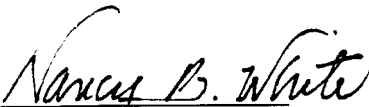
Beth Culpepper
Staff Counsel-FPSC
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
Tel No. (850) 413-6212

GTC, Inc.
c/o St. Joe Communications, Inc.
Mr. Bill Thomas
P.O. Box 220
Port St. Joe, FL. 32456-0220
Tel. No. (850) 229-7324
Fax. No. (850) 227-7366

Steinhatchee Community Projects
Board, Inc.
P.O. Box 736
Steinhatchee, FL 32359
Fax. No. (352) 498-5555

Taylor County Board of Comm.
P.O. Box 620
Perry, FL 32347-0620

David B. Erwin, Esq.
Young van Assenderp
& Varnadoe, P.A.
P.O. Box 1833
Tallahassee, FL 32302-1833
Tel. No. (850) 222-7206
Fax. No. (850) 561-6834



Nancy B. White (Am)