

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition for the transfer of certificated territory from CONTEL OF THE SOUTH, INC. to ALLTEL FLORIDA, INC.))	DOCKET NO. 890456-TL
)	
In re: Request by Citizens of Boulougne for extended area service (EAS) to the Hilliard exchange)	DOCKET NO. 870974-TL
)	ORDER NO. 21336
)	ISSUED: 6-5-89

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
THOMAS M. BEARD
BETTY EASLEY
GERALD L. GUNTER
JOHN T. HERNDON

NOTICE OF PROPOSED AGENCY ACTION
AND
ORDER APPROVING TRANSFER OF TERRITORY AND
RENDERING REQUEST FOR EXTENDED AREA SERVICE MOOT

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 formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

On March 30, 1989, Contel of the South, Inc. (Contel) and ALLTEL Florida, Inc. (ALLTEL) filed a Joint Petition seeking Commission approval to transfer the Boulougne Exchange from Contel to ALLTEL. The area sought to be transferred is the only service area in Florida presently being served by Contel. ALLTEL serves the balance of Nassau County except for Yulee, Fernandina Beach, and a portion of the Baldwin exchange which are served by Southern Bell Telephone and Telegraph Company. Upon our approval, the transferred Boulougne customers will become a part of ALLTEL's Hilliard exchange.

There is presently pending under Docket No. 870974-TL a request by the Citizens of Boulougne for extended area service (EAS) to the Hilliard exchange. Our approval of this Joint Petition and ALLTEL's placing these former Boulougne customers in the Hilliard exchange will moot this EAS request and allow the docket to be closed. Boulougne's school system, police department, rescue services and fire department are all located in Hilliard. Hilliard also is the location for the 911 emergency service.

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FPSC-RECORDS/REPORTING

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The companies have complied with the notice requirement of Rule 25-4.005, Florida Administrative Code. The area to be transferred to ALLTEL's service territory is described as follows:

Begin at the point of confluence of Pigeon Creek and the St. Marys River, thence follow the run of Pigeon Creek in a general southerly direction to the point of crossing with U.S. Highway 301, thence continue along the run of the north prong of Pigeon Creek in a southwesterly direction to the point of crossing with the Atlantic Coast Line Railroad right-of-way, thence run northwesterly along the Atlantic Coast Railroad right-of-way to the St. Marys River, thence run in a general easterly direction to the point of beginning.

There will be some customer impact associated with the proposed transfer of territory. Boulougne customers were notified of the change in calling scope and rates by letter dated February 13, 1989. We have been advised that no negative responses have been received by the Company. Our Consumer Affairs Division has received no inquiries or complaints through May 1, 1989. Upon our approval of the transfer, the Boulougne customers will no longer be able to call Contel's Folkston and St. George exchanges toll free. They will, however, become a part of the ALLTEL Hilliard exchange and will be able to call other Hilliard subscribers, as well as toll free to Callahan, and will have six (6) calls to Jacksonville for a mandatory \$2.34 monthly charge, after which a \$.39 per call charge will apply. While existing customers will receive an increase in monthly basic exchange charge, they will receive a much larger intrastate (Florida) calling area (Hilliard, Callahan and Jacksonville exchanges), going from 2,505 to 314,283 access lines. This will result in a vastly expanded calling area, in addition to resolving the current problem of properly responding to a 911 call from this area.

In return for this expanded calling scope Boulougne customers will have a change in their monthly charges depending upon whether they are located in Zone 4 or 5 as outlined in Attachment 1 of this Order. Former Boulougne customers can avoid paying the Hilliard zone charges if they opt for two (2) party service.

There are presently fifty (50) residential and fourteen (14) business customers, with two (2) pending applications for service. There are no exempt customers in the area to be transferred. All Contel customers having a deposit on file will have it applied against their Contel final bill and any remainder will be refunded to the customer. Contel shall file with our Communications Division a breakdown of the disposition of deposit monies. This report shall be filed within sixty (60) days of the issuance of a consummating order in this docket. ALLTEL does not intend to require deposits from the transferred customers unless it becomes necessary as permitted by Rule 25-4.109, Florida Administrative Code.

The equipment associated with the transfer has an original cost of \$49,992 and a depreciated value of \$30,692. Since ALLTEL is purchasing the assets for net book value there will be no gain or loss and, therefore, no possibility for an acquisition adjustment.

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Upon consideration, we find it appropriate to approve the transfer of the Boulougne Exchange from Contel to ALLTEL. Accordingly, each company's certificate of public convenience and necessity shall be amended to reflect the transfer of territory as described in this Order. We propose making this transfer effective with all customer billings on or after June 15, 1989, as requested by the Companies.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Contel of the South, Inc.'s and ALLTEL Florida, Inc.'s joint request for approval of the transfer of the Boulougne Exchange from Contel to ALLTEL is hereby approved as set forth in the body of this Order. It is further

ORDERED that each company's respective certificate of public convenience and necessity shall be amended as described in this Order. It is further

ORDERED that our action described herein shall become final on June 27, 1989, if no protest to this Proposed Agency Action is filed within the time-frames set forth below. It is further

ORDERED that if no protest is filed within the time-frames set forth below, Docket No. 890456-TL shall remain open pending receipt of the report on customer deposit disposition to be submitted by Contel of the South, Inc. as outlined in the body of this Order after which Docket No. 890456-TL shall be closed administratively. It is further

ORDERED that if no protest is filed within the time-frames set forth below, Docket No. 870974-TL shall be closed upon issuance of the consummating order.

By ORDER of the Florida Public Service Commission,
 this 5th day of June, 1989.

STEVE TRIBBLE, Director
 Division of Records and Reporting

(S E A L)

ABC

by: Kay Flynn
 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 at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on June 26, 1989. In the absence of such a petition, this order shall become effective June 27, 1989 as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent order.

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 June 27, 1989, any party adversely 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 sewer 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.

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ATTACHMENT 1

COMPARISON OF CONTEL AND ALLTEL RATES

FOR BOULOGNE CUSTOMERS

	<u>Present ConTEL Rate</u>	<u>Basic ALLTEL Rate</u>		<u>ALLTEL Rate w/mandatory Threshold to Jacksonville*</u>	
		<u>Zone 4</u>	<u>Zone 5</u>	<u>Zone 4</u>	<u>Zone 5</u>
R-1	\$ 10.15	\$ 13.13	\$ 15.84	\$ 15.47	\$ 18.18
R-2	N/A	8.00	8.00	10.34	10.34
B-1	20.30	27.18	29.89	29.52	32.23
B-2	N/A	19.80	19.80	22.14	22.14
Touchtone	1.25	1.00	1.00	1.00	1.00

*Above six messages per month, \$.39 per message

N/A - not applicable