

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Resolution by St. Lucie ) DOCKET NO. 911011-TL  
Board of County Commissioners for) ORDER NO. PSC-92-0661-FOF-TL  
extended area service between ) ISSUED: 07/15/92  
Ft. Pierce and South Port St. )  
Lucie. )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK  
J. TERRY DEASON  
BETTY EASLEY  
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION  
ORDER COMBINING TWO CALLING AREAS  
INTO ONE LOCAL RATE GROUP

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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

This docket was initiated pursuant to Resolution No. 91-194 filed with this Commission by the Board of County Commissioners of St. Lucie County. The resolution requested that we consider requiring implementation of extended area service (EAS) between the South Port St. Lucie exchange and the Fort Pierce exchange. These exchanges are served by BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or the Company).

By Order No. 25228, issued October 18, 1991, we directed Southern Bell to conduct traffic studies between these exchanges to determine whether a sufficient community of interest exists, pursuant to Rule 25-4.060, Florida Administrative Code.

By Order No. 25523, issued December 24, 1991, we granted the Company an extension of time in which to prepare and submit the traffic studies. Subsequently, the Company filed the required traffic study data, along with a Request for Specified Confidential Classification of certain portions of the traffic study data.

DOCUMENT NUMBER-DATE

07674 JUL 15 1992

FILE RECORDS/REPORTS

### HISTORY

Prior to June 17, 1973, the Port St. Lucie exchange did not exist. The Fort Pierce exchange served the majority of St. Lucie County and the Stuart exchange served a portion of the southern part of St. Lucie County. Fort Pierce is the county seat of St. Lucie County. Stuart is located in Martin County. The southern part of the Fort Pierce exchange and the northern part of the Stuart exchange experienced considerable growth in the early 1970's, creating many situations of neighbors and adjacent businesses where toll rates applied. At that time, Stuart had EAS to Hobe Sound only and Fort Pierce had no EAS at all. There was considerable pressure for EAS between Fort Pierce and Stuart.

To address this situation, a new exchange, Port St. Lucie, was established on June 17, 1973. When the Port St. Lucie exchange was established, it would have been very costly to Southern Bell to provide countywide EAS. There were no switches or trunking facilities in the new exchange and costs justified the establishment of two calling areas. The Port St. Lucie exchange was made up of the southernmost part of the Fort Pierce exchange and the portion of the Stuart exchange which was located in St. Lucie County. The Fort Pierce portion was named North Port St. Lucie and the Stuart portion was named South Port St. Lucie. The only change in calling scopes was that intraexchange local calling was established between the two calling areas of the Port St. Lucie exchange. This arrangement solved the problem at that time. The subscribers in the newly created North Port St. Lucie calling area could still call toll free to Fort Pierce and those in South Port St. Lucie continued to have toll free calling to Stuart and Hobe Sound.

In 1981, the Jensen Beach exchange was established. EAS was provided between the Jensen Beach exchange and the Stuart, Port St. Lucie, Hobe Sound, and Fort Pierce exchanges.

Finally, in Order No. 23960, issued January 4, 1991, in Docket No. 880069-TL, we eliminated some of the toll routes in the first (1 - 10) mileage band to address EAS pressures. Since Port St. Lucie was established as one exchange, there is only one set of V&H coordinates. The Port St. Lucie to Stuart route falls within this mileage band and thus flat rate, two-way EAS was established. Port St. Lucie to Fort Pierce did not fall within the 1 - 10 mile band. South Port St. Lucie was given optional EAS to Fort Pierce. North

Port St. Lucie had maintained toll free calling to Fort Pierce as a condition of the establishment of the Port St. Lucie exchange.

#### DISCUSSION

Because of the unique factors existing in the Port St. Lucie exchange, we believe this issue should be addressed outside the scope of typical EAS. Southern Bell was ordered to conduct traffic studies. The traffic study results, for which confidential treatment have been requested, do not meet the requirements of Rule 25-4.060 for establishing flat rate EAS on the requested route. However, we do not believe that the traffic study should be the only criteria for evaluating the St. Lucie County request. In our view, flat rate toll free calling should be approved in order to provide countywide calling and the same calling scope to all subscribers in the St. Lucie exchange, for the reasons set forth below.

The Fort Pierce exchange and South Port St. Lucie calling area are contained in St. Lucie County and are separated by the North Port St. Lucie calling area, except for the eastern portion of the area, where they are contiguous. Fort Pierce is the county seat and is the exchange in which most of the St. Lucie County offices are located, including the school board. There are some state and federal offices in Fort Pierce, as well. Much of the employment for the residents in the South Port St. Lucie calling area is in the Fort Pierce exchange. There is a high community of interest toward Fort Pierce for South Port St. Lucie subscribers, but there is little in the way of business in South Port St. Lucie to generate interest back from Fort Pierce. However, those people employed in Fort Pierce but living in south Port St. Lucie have reason to call home, representing a significant community of interest from Fort Pierce to South Port St. Lucie.

As discussed in the background section, the Port St. Lucie calling areas have different local calling scopes. South Port St. Lucie subscribers can call the North Port St. Lucie, Hobe Sound, Jensen Beach, and Stuart exchanges toll free, with an optional EAS plan to the Fort Pierce exchange. North Port St. Lucie can call the South Port St. Lucie, Fort Pierce, Jensen Beach, and Stuart exchanges toll free. The differences in local calling are that South Port St. Lucie can call Hobe Sound toll free and North Port St. Lucie can call Fort Pierce toll free.

Upon consideration, we find it appropriate to propose requiring Southern Bell to join the North and South Port St. Lucie calling areas into one local rate group, thereby giving South Port St. Lucie unlimited, flat rate, toll free, two-way calling to Fort Pierce and giving North Port St. Lucie unlimited, flat rate, toll free two-way calling to Hobe Sound. We find that the reasons originally justifying separate calling areas for this exchange are no longer meaningful or relevant. In order to combine the two calling areas, there would be no change in trunking, only the addition of facilities required to handle the extra traffic from North Port St. Lucie to Fort Pierce due to stimulation. Now that digital switches are in place and EAS trunk routes have been provided, we do not believe that the two local rate groups and calling scopes are justified.

A combined Port St. Lucie calling area would be in rate group six. Currently, North Port St. Lucie is in rate group six and South Port St. Lucie is in rate group five, but would regroup to rate group six by adding Fort Pierce to the basic local calling area. This regrouping would result in a \$.35 per month increase in local rates for residential subscribers, \$1.05 per month for business customers, and \$2.31 per month for PBX customers in South Port St. Lucie.

Our rules do not specifically address regrouping as it pertains to this situation. However, we believe that Rule 25-4.056(2) and (3), Florida Administrative Code, should be used as guidance. This Rule provides in pertinent part:

(2) The rate group in which an exchange falls shall be determined by the peak number of access lines in the exchange's local calling area since the effective date of the last directory.

(3) In each instance where exchange reclassification is requested, the company shall provide adequate notice to the public in the exchanges involved. A bill stuffer, subject to commission approval, shall be issued to each affected subscriber with the first bill following submittal of the application to the commission. The bill stuffer shall provide notice of the application for regrouping and describe the reclassification sought,

including the present and proposed rates. A second bill stuffer shall be provided with the first bill rendered following commission approval, if approval is granted, stating the reclassification approved, including the approved rates.

Since Southern Bell did not submit an application for reclassification, the first notice shall be sent after this order becomes final. The second notice shall be provided with the first bill rendered following the submission of the tariff reflecting the change in charges. The Company shall submit its notices to our staff for approval prior to mailing. The protest period for this proposed action shall be extended to 45 days to accommodate mailing time and to assure a point of entry into the process for affected customers.

Southern Bell shall be required to file appropriate tariffs no later than October 31, 1992, reflecting these changes in the affected local calling areas, to be effective no later than January 1, 1993. The existing South Port St. Lucie/Fort Pierce EOEAS plan shall be discontinued simultaneously with implementation of the new combined calling area.

Directories for the affected exchanges closed in mid-April for publication in July, 1992. Southern Bell shall provide Stuart directories, which are currently distributed to those subscribers in South Port St. Lucie and include Hobe Sound, to the North Port St. Lucie subscribers on an as-requested basis until the directories reflecting the combined calling area are published in July, 1993. This will provide all subscribers with access to directories for their local calling area.

We note that the addition of the North Port St. Lucie access lines will not affect local subscriber rates in the Hobe Sound exchange and that adding South Port St. Lucie and Hobe Sound will not change the Fort Pierce exchange's rate group. We note, as well, that Southern Bell will experience an undetermined toll revenue loss on the North Port St. Lucie to/from Hobe Sound route. There may also be additional network costs involved due to stimulation. We believe this loss will be minimal and is most appropriately addressed in the Company's upcoming rate case.

Based on the foregoing, it is

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ORDERED by the Florida Public Service Commission that Resolution No. 91-194 filed with this Commission by the Board of County Commissioners of St. Lucie County is hereby approved to the extent outlined herein. It is further

ORDERED that Southern Bell Telephone and Telegraph Company shall combine the two calling areas described herein into one local calling area in the manner set forth in the body of this Order. It is further

ORDERED that Southern Bell Telephone and Telegraph Company shall file tariff revisions in accordance with our directives contained herein. It is further

ORDERED that Southern Bell Telephone and Telegraph Company shall notify its affected customers by mail of the proposed changes in their rates and calling scopes. The Company shall submit its proposed notices to Commission staff for approval prior to mailing. It is further

ORDERED that the protest period for this proposed action shall be extended to 45 days from the issuance date of this Order. It is further

ORDERED that this docket shall be closed following the expiration of the protest period if no proper protest is timely filed to our proposed action.

By ORDER of the Florida Public Service Commission, this 15th day of July, 1992.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

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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 August 31, 1992.

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 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 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.