

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by CITY COUNCIL OF )	DOCKET NO. 891042-TL
FREEPORT for extended area service )	
between the Freeport and Destin, Ft. )	ORDER NO. 22531
Walton Beach, Santa Rosa Beach, )	
Seagrove Beach, Shalimar and Valparaiso) )	ISSUED: 2-12-90
exchanges )	
_____ )	

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  
ORDER DENYING REQUEST FOR EXTENDED AREA SERVICE  
AND REQUIRING IMPLEMENTATION OF AN OPTIONAL  
DISCOUNTED TOLL PLAN

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.

This docket was initiated by Resolution No. 89-8 filed with this Commission by the City Council of Freeport. The Resolution requested that we consider requiring implementation of extended area service (EAS) between the Freeport exchange and the Destin, Ft. Walton Beach, Santa Rosa Beach, Seagrove Beach, Shalimar and Valparaiso exchanges. These exchanges are served by Central Telephone Company of Florida (Centel or the Company), which is subject to regulation by this Commission pursuant to Chapter 364, Florida Statutes.

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Each of the involved exchanges currently has EAS as follows:

<u>EXCHANGES</u>	<u>ACCESS LINES*</u>	<u>EAS CALLING SCOPE</u>
Freeport	1,600	Defuniak Springs
Destin	9,752	Ft. Walton Beach, Santa Rosa Beach, Shalimar and Valparaiso
Ft. Walton Beach	32,446	Destin, Holley-Navarre, Santa Rosa Beach, Shalimar and Valparaiso
Santa Rosa Beach	1,856	Destin, Ft. Walton Beach, and Seagrove Beach
Seagrove Beach	1,989	Santa Rosa Beach
Shalimar	6,804	Destin, Ft. Walton Beach and Valparaiso
Valparaiso	12,750	Destin, Ft. Walton Beach and Shalimar

\*Data as of September, 1989.

By Order No. 21889, issued September 13, 1989, Centel was directed to conduct traffic studies on the exchanges affected by the Resolution to determine if a sufficient community of interest existed pursuant to Rule 25-4.060, Florida Administrative Code. For these studies, we requested that the Company measure the messages per main and equivalent main station per month (M/M/M) and percentage of subscribers making two (2) or more calls monthly to the exchanges for which EAS was proposed.

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The results of the traffic studies indicate that the one-way calling rates, including foreign exchange (FX), on the affected routes are as follows:

<u>ROUTE</u>	<u>M/M/M</u>	<u>% OF CUSTOMERS MAKING 2 OR MORE CALLS</u>
Freeport to Ft. Walton	4.74	46%
Freeport to Valparaiso	3.90	35%
Freeport to Santa Rosa	2.59	28%
Santa Rosa to Freeport	2.39	23%
Freeport to Destin	1.37	20%
Freeport to Seagrove Beach	.80	12%
Seagrove Beach to Freeport	.75	11%
Destin to Freeport	.62	9%
Valparaiso to Freeport	.67	7%
Freeport to Shalimar	.43	7%
Ft. Walton to Freeport	.12	2%
Shalimar to Freeport	.09	2%

Rule 25-4.060(2)(a), Florida Administrative Code, requires a minimum of 3.00 M/M/Ms, with at least fifty percent (50%) of the exchange subscribers making two (2) or more calls per month to indicate a sufficient community of interest to warrant further study of the feasibility of implementing nonoptional EAS. The results of the traffic studies revealed no route that meets or exceeds this threshold requirement. Accordingly, we shall deny any further consideration of nonoptional, flat rate, two-way EAS along the above routes.

Although the calling patterns on the above-identified routes fail to meet Commission standards for implementation of traditional EAS, we believe that the call rates from Freeport to Ft. Walton Beach and from Freeport to Valparaiso justify offering the Freeport subscribers an alternative form of toll relief. However, this reduction in toll rates will not be offered to the subscribers in either the Ft. Walton Beach or Valparaiso exchanges due to the low call rate from these exchanges to the Freeport exchange.

Accordingly, Centel shall implement the discounted toll plan known as Toll-Pac on the Freeport to Ft. Walton Beach and Freeport to Valparaiso routes. Toll-Pac is an optional, one-way toll discount plan which offers the subscriber a thirty

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percent (30%) discount from the otherwise applicable Direct Distance Dialed (DDD) time-of-day toll rate, when the minimum monthly subscription rate is exceeded. The pricing for Toll-Pac on these two routes shall be as follows:

FROM	TO	MINIMUM MONTHLY CHARGE	
		RESIDENCE	BUSINESS
Freeport	Ft. Walton Beach	\$5.30	\$9.40
Freeport	Valparaiso	3.25	5.85

Centel shall file its revised tariff reflecting the Toll-Pac rate structure within thirty (30) days of the issuance of a consummating order in this docket, to be effective within sixty (60) days thereafter.

In prior dockets, we have directed companies to issue "Instant Winner" letters detailing the existence of Toll-Pac, along with a comparison to the customer's normal toll bill, for those customers who would benefit from subscribing to Toll-Pac. In recent dockets ordering Toll-Pac, we have dispensed with this requirement. Consistent with that action, we will not require "Instant Winner" letters in this docket either. Centel shall, however, be required to notify all Freeport subscribers of the availability of Toll-Pac along these routes, and to waive the secondary service order charge for thirty (30) days following the implementation of Toll-Pac. The waiver of the secondary service order charge shall be included in the customer notice, as well as in Centel's revised tariff.

Therefore, based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Resolution No. 89-8 filed with this Commission by the City Council of Freeport is hereby granted in part and denied in part for the reasons set forth herein. It is further

ORDERED that Central Telephone Company of Florida shall offer a discount toll plan known as Toll-Pac to the subscribers of the Freeport exchange, which plan shall comply with the terms and conditions set forth in the body of this Order. It is further

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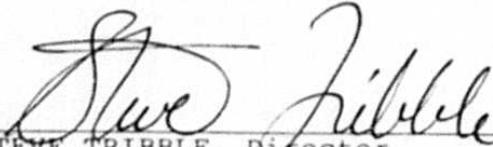
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ORDERED that Central Telephone Company of Florida shall file its revised tariff offering Toll-Pac within thirty (30) days of the issuance of a consummating order in this docket, to become effective within sixty (60) days thereafter. It is further

ORDERED that the effective date of our action described herein is the first working day following the date specified below, if no proper protest is filed to this Proposed Agency Action within the time frames set forth below. It is further

ORDERED that if no proper protest is filed within the time frames set forth below, this docket shall be closed by the consummating order to be issued in this docket.

By ORDER of the Florida Public Service Commission,  
this 12th day of FEBRUARY, 1990.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

ABG

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

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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 March 5, 1990.

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, 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 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 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.