



JACK SHREVE
PUBLIC COUNSEL

STATE OF FLORIDA
OFFICE OF THE PUBLIC COUNSEL

c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, Florida 32399-1400
904-488-8330

March 21, 1997

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

Re: Case No. ~~950600~~-TL

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket are the original and 15 copies of the Rebuttal Testimony of R. Earl Poucher on Behalf of the Citizens of the State of Florida.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Sincerely,

Charles J. Beck
Deputy Public Counsel

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU Over
- CTR _____ CJB:bsr
- EAG _____
- LEG 1 - Enclosures
- LIN JAG
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTH _____

DOCUMENT NUMBER DATE

03029 MAR 21 97

FPSC-RECORDS/REPORTING

ORIGINAL
FILE COPY

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Resolution by City)
Commission of Haines City)
Requesting Extended Area)
Service (EAS) from Haines)
City Exchange to all)
Exchanges within Polk)
County.)
_____)

Docket No. 950699-TL
Filed: March 21, 1997

REBUTTAL TESTIMONY OF
R. EARL POUCHER

Respectfully submitted,
Jack Shreve
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

(904) 488-9330

Attorney for the Citizens
Of the State of Florida

DOCUMENT NUMBER DATE
03029 MAR 21 5
FPSC-RECORDS/REPORTING

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

REBUTTAL TESTIMONY
R. EARL POUCHER
FOR
OFFICE OF PUBLIC COUNSEL
BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 950699-TL

Q. Please state your name, business address and title.

A. My name is R. Earl Poucher. My business address is 111 West Madison St., Room 812, Tallahassee, Florida 32399-1400. My title is Legislative Analyst.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to rebut the testimony filed with this Commission by GTE witness Robinson. GTE maintains that there is insufficient community of interest for the Commission to order EAS between Haines City and its sister cities in Polk County. Second, GTE offers a variety of optional pricing plans as the best solution for the calling needs of its Haines City customers. The Citizens do not agree with either of these positions that are advocated by GTE's witness.

Q. Why do you believe the Commission should consider providing EAS between Haines City and its sister cities in Polk County?

A. The Commission rules require a sufficient community of interest between exchanges in order to implement elimination of existing toll rates between exchanges. In the past, the Commission has adopted two separate methods for determining whether a sufficient community of interest exists between exchanges.

1 The Commission first reviews traffic volumes to determine if the existing toll traffic
2 between exchanges is sufficient to grant or deny EAS or an alternative plan.
3 Second, the Commission has acknowledged that community of interest between
4 exchanges can also be demonstrated by non-traffic considerations, that I
5 addressed extensively in my direct testimony. It is my belief that the testimony
6 entered in this docket by the public witnesses is sufficient to justify an order by the
7 Commission requiring the company to ballot Haines City customers for flat rate
8 EAS between Haines City and its sister cities based on the Commission's standard
9 25/25 plan. Alternatively, should the Commission decide not to allow the
10 customers to select their preference, there is sufficient public testimony to justify
11 the offering of ECS (otherwise known as the \$.25 calling plan) between Haines
12 City and all of its sister cities in Polk County.

13 **Q. Doesn't the Commission require traffic volumes to exceed 3 MAM before it**
14 **considers offering flat rate EAS or an alternative plan?**

15 **A.** No. The Commission has no standard for countywide calling requests, which
16 have, in the past, been considered to be significantly different than requests for
17 EAS on a route by route basis.

18 **Q. Has the Commission ever ordered flat rate EAS balloting when message**
19 **volumes and/or the distribution of traffic were less than the thresholds**
20 **established in the PSC rules?**

21 **A.** Yes. For instance, the Commission ordered balloting for flat rate EAS for all routes
22 in Franklin County on January 7, 1991, when the traffic volumes on the 10 routes
23 in question ranged from .02 to 2.12 and the distribution fell far short of the
24 Commission's standard. (Exhibit REP-3)

25

1 Again, in Docket No. 900039-TL, the Commission ordered a flat rate EAS ballot to
2 provide flat rate EAS between Mt. Dora and all exchanges in Orange County,
3 despite the fact that both the traffic volumes and the distribution on all of the
4 routes failed to meet the thresholds established in the Commission rules.
5 (Exhibit REP-4)

6 Q. Has the Commission ever ordered non-optional ECS (\$.25) calling plans when
7 the message volumes and/or the distribution of traffic were less than the
8 thresholds established in the PSC rules?

9 A. Yes. The list of exceptions is long.

10 1. The Commission ordered Centel to provide \$.25 calling plans on a countywide
11 basis in June 1991 in Holmes, Jackson, Okaloosa and Walton Counties. The
12 traffic volumes and distribution on most of these routes fell short of the
13 Commission standards. (Exhibit No. REP-2)

14
15 2. The Commission ordered St. Joe to provide countywide \$.25 calling throughout
16 Franklin County when the ballot for flat rate EAS failed in 1991. The traffic
17 volumes on the 10 routes in question included six routes with less than 1 message
18 per access line per month. The Commission order mentioned specifically the lack
19 of medical facilities in Alligator Point as justification for its approval. The traffic
20 between Alligator Point and Appalachicola was .19 messages per access line per
21 month with 4.5% of the customers making two or more calls per month. (Exhibit
22 REP-3)

23
24 3. The Commission ordered the ECS (\$.25) plan between Mt. Dora and all
25 Orange County exchanges in 1991 when the ballot for flat rate EAS failed, when

1 both the traffic volumes and distribution failed to meet the Commission threshold
2 levels on all routes. (Exhibit REP-4)

3

4 4. The Commission ordered the \$.25 calling plan on a countywide basis in
5 Gilchrist County on November 13, 1991 even though none of the routes in
6 question exceeded the threshold limits established by PSC rules. (Exhibit REP-5)

7

8 5. On November 15, 1991, the Commission ordered St. Joe to implement a
9 countywide \$.25 calling plan in Gulf County in response to a Gulf County
10 Commission petition, even though the traffic on all four of the routes failed to meet
11 PSC EAS thresholds established by the PSC rules. (Exhibit REP-6)

12

13 6. On January 6, 1992, in Docket No. 910022-TL, the Commission ordered
14 ALLTEL, Centel and Southern Bell to implement the \$.25 calling plan on the
15 following routes in Bradford, Union and Alachua Counties: (Exhibit REP-7)

16

Brooker to Starke Waldo to Starke

17

Keystone Heights to Gainesville Starke to Gainesville

18

Keystone Heights to Waldo Raiford to Gainesville

19

Lake Butler to Lake City Lawtey to Waldo

20

Lake Butler to Starke Lawtey to Gainesville

21

Lawtey to Brooker

22

23

24

25

This order implemented the \$.25 calling plan on a countywide basis for Bradford
County and also provided \$.25 calling from all Bradford County exchanges to
Gainesville. The traffic volumes were confidential, but the Commission order
stated that all of the routes in question had less than two messages per access

1 line per month. The Commission order in this docket noted the importance of
2 nearby Gainesville as the largest city in North Central Florida, which offered
3 educational facilities, major medical services, shopping, etc. The longest route in
4 this order was Ralford to Gainesville, which is well over 30 miles. (Exhibit REP-7)

5
6 The Commission order in Docket No. 919922-TL emphasized two other important
7 factors. It mentioned that the \$.25 plan had gained favor because of its simplicity
8 and its message rate structure. The order also stated that optional EAS plans are
9 somewhat confusing to customers, that the addtives or buy-ins are generally
10 rather high, and the take rates are rather low. (Exhibit REP-7)

11
12 Next, the Commission order waived Rule 25-4.061, stating as follows:

13 "Because the community of interest factors are sufficient to warrant
14 implementation of an alternative to toll rates and the toll relief plan being
15 authorized does not consider costs to set rates, we do not believe it is
16 necessary to require the companies to conduct cost studies on these
17 routes." (Exhibit REP-7)

18
19 Finally, the Commission waived its Rule 25-4.062(4) which provides for full
20 recovery of costs consistent with its method of treating this issue in numerous EAS
21 cases it has approved in recent years. (Exhibit No. REP-7)

22
23 7. On February 5, 1992 the Commission ordered Florida Telephone Company to
24 implement the \$.25 calling plan between Glendale and Paxton, even though only
25 17% of the customers made two or more calls per month and the MMM's on the

1 route were 1.23. (Exhibit REP-8)

2
3 8. On February 24, 1992 the Commission ordered implementation of the \$.25
4 calling plan on 20 routes between Crescent City, Palatka, Hawthorne, Interlachen,
5 Orange Springs, Keystone Heights, Florahome, Melrose and Interlachen. In its
6 order the Commission stated that none of the routes had sufficient calling volume
7 or distribution to satisfy the Commission's thresholds in rule 25-4.060(2). This
8 request was honored due to a petition from the Putnam County Board of County
9 Commissioners. No hearings were held in this docket and, therefore, the PSC did
10 not have substantial input regarding the community of interest between the
11 exchanges involved, as has been offered by the public witnesses in support of the
12 Haines City request. (Exhibit No. REP-9)

13
14 9. On March 9, 1992, the Commission ordered Southern Bell to implement the
15 \$.25 calling plan between the only two exchanges in St. Johns County even
16 though the calling volumes were .40 between St. Augustine and Ponte Vedra and
17 1.29 between Ponte Vedra and St. Augustine. The Commission ordered the
18 alternative EAS plan while noting that Ponte Vedra's economic community of
19 interest was primarily Jacksonville, while its county government community of
20 interest was St. Augustine. (Exhibit REP-10)

21
22 10. On July 7, 1993 the Commission ordered Southern Bell to implement the \$.25
23 calling plan between Green Cove Springs, Julington and St. Augustine, when the
24 calling volumes were less than the thresholds levels required by the rule.
25 (Exhibit REP-11)

1 11. On November 23, 1992 the Commission ordered the \$.25 calling plan
2 between Cedar Key and Chiefland and Cedar Key and Bronson in view of the fact
3 that the calling volumes on these routes failed to meet the Commission's threshold
4 levels as specified by the rule. The Commission made note of the fact that this
5 decision is consistent with our actions in similar EAS dockets with rural areas
6 where we have ordered the \$.25 plan. Recent examples include Franklin, Gulf,
7 Jackson, Holmes, Okaloosa and Walton Counties. (Exhibit REP-12)

8
9 12. On July 20, 1992 the Commission ordered a \$.20 calling plan between
10 Vernon and Bonifay and between Vernon and Westville, when the traffic failed to
11 meet the thresholds established by the Commission. (Exhibit No. REP-13)

12 **Q. Has the Commission approved other \$.25 ECS plans when the traffic volumes**
13 **were less than the thresholds established in the PSC rules?**

14 **A.** Yes. The Commission has approved numerous ECS plans in response to EAS
15 requests in "pocket areas" where county boundaries are not consistent with
16 exchange boundaries. The Commission ordered ECS service on four pocket area
17 dockets on November 13, 1995. While the traffic volumes in these pocket areas
18 usually exceed the thresholds, the total traffic between the two exchanges rarely
19 approaches the thresholds. However, in order to serve the community of interest
20 calling needs of the pocket, the Commission has traditionally ignored the fact that
21 its ordering toll relief for the entire exchange. This is yet another example where
22 the Commission has disregarded the actual traffic volumes and has acted in
23 response to the other community of interest factors as discussed in my direct
24 testimony. (Exhibit REP-14)

25

1 In Docket No. 921194, the Commission approved the \$.25 calling plan for
2 Eastpoint/Bristol when the calling rate was .39, based on the Sumatra pocket of
3 56 customers who wanted access to their county seat. Subsequently, based on
4 petitions from the Liberty County Commissioners, the Commission approved the
5 \$.25 calling plan for Eastpoint/Hosford route that had the following calling rates:

6	Hosford to Eastpoint	.24
7	Eastpoint to Hosford	.07
8	Hosford to Eastpoint (Liberty County Pocket)	.06
9	Eastpoint to Hosford (Liberty County Pocket)	1.03

10 (Exhibit REP-14a)

11 Q. How would you characterize the actions of the Commission in the preceding
12 dockets?

13 A. Contrary to what GTE would have you believe, the Commission implemented
14 numerous \$.25 calling plans that failed to meet the thresholds prior to the time
15 that it agreed to a moratorium to develop more comprehensive EAS rules in 1993.
16 The \$.25 calling plans implemented by the Commission during this time period
17 were generally in response to requests for countywide calling where calling
18 volumes were significantly less than the thresholds established for flat rate EAS.
19 The Commission has embraced the concept that community of interest may be
20 quantified by either absolute traffic volumes, or by demographic data including the
21 factors discussed in my direct testimony. Countywide calling requests have been
22 subjected to significantly less stringent standards than other routes between
23 exchanges in other counties. The Commission has placed substantial weight
24 upon the concept that the needs for countywide calling alone constitute a valid
25 community of interest that is sufficient to justify the offering of an alternative toll

1 plan such as the \$.25 calling plan. (See Ponte Vedra/St. Augustine REP-10)

2 **Q. Did the EAS rulemaking result in new rules that would deal with countywide**

3 **calling requests?**

4 A. No. The Commission decided to deal with requests for countywide calling on a

5 case by case basis.

6 **Q. Is GTE's proposal to establish optional calling plans the best way to respond**

7 **to the request of Haines City for EAS?**

8 A. No. Since 1991, this Commission has continually stated in every single order

9 implementing the \$.25 calling plan that the plan is superior to the old optional

10 calling plans that were in vogue in Florida in the late 1980's. GTE's proposal is

11 inconsistent with the orders of the Commission and its own testimony in Docket

12 910179-TL dealing with the Tampa Bay ECS calling plan and Docket No. 920188-

13 TL, which was the general rate case filed by the company in 1992.

14 **Q. What testimony did the company offer regarding ECS in the Tampa Bay ECS**

15 **docket?**

16 A. The Company's current testimony is inconsistent with its prior positions taken in

17 the Tampa Bay ECS docket. Staff asked the company the following question:

18 "Which of the following factors listed below should be considered in determining

19 the existence of a community of interest?" GTE witness Kissell's response

20 included most all of the factors mentioned in my direct testimony. He added the

21 following: "However, the particular communities of interest between individual

22 telephone users may vary dramatically...For this reason, GTEFL believes its ECS

23 is the most appropriate plan to address the widely varying needs of its customers

24 in the proposed ECS areas." GTE witness Robinson proposes in the Haines City

25 docket the offering of four LCP options that are reminiscent of the EOEAS plans

1 that the Commission has rejected for over five years, in place of flat rate EAS and
2 \$.25 calling plans. (Exhibit REP-15)

3 Q. What did GTE say about the ECS plan in its testimony in Docket 910179?

4 A. Witness Kissell testified as follows:

5 "GTEFL strongly believes that its ECS proposal is the best alternative for
6 meeting the local calling needs of its Tampa Bay customers. First, it is an
7 extremely fair plan in that only those customers who actually make ECS
8 calls pay for them. ECS customers who do not make ECS calls do not
9 incur ECS usage charges. (Exhibit REP-16) The original ECS filing
10 recommended by the company in the Tampa Bay plan was slightly
11 different than the ultimate plan implemented by the Commission, but the
12 advantages for customers were almost identical.

13 Q. Weren't the traffic volumes in Tampa Bay significantly higher than for Haines
14 City?

15 A. Not Particularly. There were six routes in Tampa Bay with traffic that exceeded
16 two messages per access line per month. Those routes were:

17 Clearwater to Tampa Central (4.31)
18 Tampa Central to Clearwater (2.47)
19 St. Petersburg to Tampa Central (3.94)
20 Tampa Central to St. Petersburg (2.57)
21 Tarpon Springs to Tampa (2.36)
22 Tarpon Springs to St. Petersburg (2.04)

23

24 The remaining 25 routes had traffic volumes consistent with those between Haines
25 City and its sister cities in Polk County and in the other countywide dockets where

1 the Commission has implemented the \$.25 calling plan. Twenty of these routes
2 had less than one message per access line per month. (REP-17) GTE witness
3 Robinson is correct when he contends that the calling rates from Haines City to
4 its sister cities in Polk County do not satisfy the Commission's guidelines for EAS.
5 However the routes included in the Tampa Bay plan failed to meet the
6 Commission's guidelines either, and GTE supported the ECS plan approved by
7 the Commission.

8 **Q. How does GTE's current position relate to its proposals in Docket 920188-TL?**

9 A. Once again, the company is inconsistent in its positions. In Docket 920188-TL,
10 GTE proposed countywide calling for all of Polk County utilizing the same \$.25
11 plan that was in place for the Tampa Bay area. The company's proposal included
12 implementation of the \$.25 ECS plan for all of its counties. However, the PSC
13 refused GTE's blanket request for countywide calling, stating as follows:

14 "While we have generally responded to countywide needs when requested
15 by a community or government entity, we find a wholesale conversion to
16 countywide calling absent such a request to be inappropriate."

17 (Exhibit REP-18)

18 **Q. Did GTE propose ECS for countywide calling in Docket 920188-TL?**

19 A. Yes and with enthusiasm. GTE's prehearing statement in that docket includes the
20 following statement:

21 "GTEFL believes that county boundaries in GTEFL's service territory are
22 reasonable determinations for a customer's local calling area. GTEFL
23 believes that ECS is the best method to address customers' needs for
24 expanded local calling.(Kissell)" (Exhibit REP-19)

25

1 Q. Please summarize your testimony.

2 A. I agree with GTE's prehearing statement in Docket 920188-TL, stating that county
3 boundaries in GTEFL's service territory are reasonable determinations for a
4 customer's local calling area. If the Commission determines that it will not allow
5 the customers to vote for or against flat rate EAS, then ECS is the best method
6 to address customers' needs for expanded local calling.

7 Q. Does this conclude your testimony?

8 A. Yes it does.

INDEX OF EXHIBITS
REBUTTAL TESTIMONY--R.E. POUCHER
DOCKET NO. 950699-TL

EXHIBIT NAME	EXH. NO.	
HOLMES, JACKSON, OKALOOSA WALTON COUNTY ECS	<u>REP-2</u>	_____
FRANKLIN COUNTY EAS/ECS	<u>REP-3</u>	_____
MOUNT DORA ECS	<u>REP-4</u>	_____
GILCHRIST COUNTY ECS	<u>REP-5</u>	_____
GULF COUNTY ECS	<u>REP-6</u>	_____
BRADFORD COUNTY ECS	<u>REP-7</u>	_____
GLENDALE/PAXTON ECS	<u>REP-8</u>	_____
PUTNAM COUNTY ECS	<u>REP-9</u>	_____
ST. JOHNS COUNTY ECS	<u>REP-10</u>	_____
ST. AUGUSTINE/GREEN COVE SPRINGS ECS	<u>REP-11</u>	_____
LEVY COUNTY ECS	<u>REP-12</u>	_____
VERNON/BONIFAY/WESTVILLE ECS	<u>REP-13</u>	_____
POCKET AREA DOCKETS	<u>REP-14</u>	_____
LIBERTY COUNTY POCKETS	<u>REP-14A</u>	_____
ECS IS MOST APPROPRIATE	<u>REP-15</u>	_____
ECS IS BEST ALTERNATIVE	<u>REP-16</u>	_____
TAMPA BAY CIF	<u>REP-17</u>	_____
PSC COUNTYWIDE DECISION	<u>REP-18</u>	_____
ECS IS BEST METHOD	<u>REP-19</u>	_____

Exhibit REP-2
Docket No. 950699-TL

HOLMES, JACKSON, OKALOOSA, WALTON COUNTY ECS

In re: Petition of CENTRAL TELEPHONE COMPANY OF FLORIDA for rate increase	)	DOCKET NO. 891246-TL
)	
In re: CENTRAL TELEPHONE COMPANY OF FLORIDA - 1988 Depreciation Study	)	DOCKET NO. 881543-TL
)	
In re: Petitions of SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY for rate stabilization and implementation orders and other relief	)	DOCKET NO. 880069-TL
)	
In re: Resolution by HOLMES COUNTY BOARD OF COUNTY COMMISSIONERS for extended area service in Holmes County, Florida	)	DOCKET NO. 870248-TL
)	
In re: Petition for county-wide toll-free calling by the OKALOOSA BOARD OF COUNTY COMMISSIONERS	)	DOCKET NO. 900539-TL ORDER NO. 24178
	)	ISSUED: 2-28-91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
 BETTY EASLEY
 GERALD L. GUNTER
 FRANK S. HESSERSMITH
 MICHAEL McK. WILSON

APPEARANCES:

LEE L. WILLIS, JOHN P. FONS, and KENNETH R. HART, Esquires, Ausley, McMullen, McGehee, Carothers and Proctor, Post Office Box 391, Tallahassee, Florida 32302, and LORELI F. COHN, Esquire, 8745 Higgins Road, Chicago, Illinois 60631, on behalf of CENTRAL TELEPHONE COMPANY OF FLORIDA.

JACK SHREVE, CHARLES J. REHWINKEL, and CHARLES J. BECK, Esquires, Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400, on behalf of the CITIZENS OF THE STATE OF FLORIDA.

DOCUMENT NUMBER-DATE

01931 FEB 28 1991

PSD-RECORDS/REPORTING

Pg. 2 of 7

The appropriate rates for 800 Service are as follows:

800 SERVICE RATES			
HOURS	DAY	EVENING	NIGHTS & WEEKEND
0-10	\$14.95	\$10.60	\$6.10
10.1-25	\$13.15	\$9.25	\$6.10
25.1-50	\$11.20	\$7.85	\$6.10
50.1-80	\$10.35	\$7.25	\$6.10
Over 80	\$9.45	\$6.70	\$6.10

2. Nonrecurring Charges

Centel proposed 25% across-the-board increases for nonrecurring WATS/800 service rate elements. Centel's proposal would result in the corresponding rate elements for Basic Business Service exceeding those of WATS/800 service, except for the charge for premises visits. No cost justification for such a disparity has been offered. Upon consideration, we find that the rates for WATS/800 Primary Service Orders, Secondary Service Orders, and Line Connection Charges, should be equal to the analogous rate elements approved for Basic Business Service.

DD. INTRACOUNTY TOLL-FREE CALLING - AND PROPOSED AGENCY ACTION FOR INTERCOMPANY ROUTES

Centel presently has intracompany toll-free calling within the counties it serves with the exception of Holmes, Jackson, Okaloosa, and Walton Counties. Formal requests for extended area service (EAS) are presently pending in Docket No. 870248-TL for Holmes County and Docket No. 900539-TL for Okaloosa County. Based upon the record in this proceeding, we have determined that it is appropriate to provide toll relief in these four counties. Accordingly, Centel shall be required to implement a \$.25 message rate on all intracounty routes in these four counties where toll rates presently apply. Additionally, we find it appropriate to require Centel to implement a \$.25 message rate between the Seagrove Beach and Ft. Walton Beach exchanges. Centel shall implement this calling plan on the intracompany routes as soon as possible, but no later than June 1, 1991.

Our action herein shall be in the form of a notice of proposed agency action for those routes included in the above calling plan that involve local exchange companies other than Centel (intercompany routes). These routes are: (1) between Sneads and Chattahoochee (St. Joseph Telephone and Telegraph Company); (2) between Bonifay and Chipley (Southern Bell Telephone and Telegraph Company (Southern Bell)); (3) between Cottondale and Chipley (So. Bell); and (4) between Graceville and Holmes and Jackson counties (So. Bell). Since the route between Graceville and Ponce de Leon is interLATA, Southern Bell shall immediately begin action to obtain a waiver from the Modified Final Judgment to carry this traffic. The intercompany routes shall be implemented no later than July 1, 1991, assuming there is no protest to our proposed action. So. Bell shall provide revenue calculations for each of its routes and shall be allowed to offset its toll and access losses in Docket No. 880069-TL. Dockets Nos. 870248-TL and 900539-TL shall be closed following expiration of the protest period.

We note that some of the intracounty routes for which this plan is being prescribed currently offer the Toll-Pac plan to subscribers. Centel shall eliminate its Toll-Pac offerings simultaneously with the implementation of the \$.25 message rate on all of these routes except Freeport to Ft. Walton Beach.

EE. BUSY HOUR MINUTE OF CAPACITY CHARGE

The Busy Hour Minute of Capacity (BHMOC) charge is a rate element designed to encourage trunking efficiency by interexchange carriers (IXCs). Specifically, the BHMOC charge is a fixed monthly rate per busy hour minute of switched access capacity ordered by IXCs. Centel proposes to reduce its BHMOC from \$6.47 to \$5.00.

Centel asserts that the goals of reducing the BHMOC would be to reduce the threat of bypass and to bring intrastate switched access rates more into parity with interstate rates. We agree.

AT&T- argued that the BHMOC should be set at \$4.85; then it should be further reduced by \$1.62 annually until it is completely eliminated.

We agree that Centel's BHMOC should be reduced more than proposed. However, we do not agree that it should be fully

DOCKET NO. 891246-TL
JANUARY 18, 1991

issued as a PAA order.

Other

All Centel intracompany routes should be implemented no later than June 1, 1991. Only then can the changes in basic local rates and regrouping discussed in Issues 84 and 88 become effective.

Southern Bell should immediately seek an expedited waiver from Judge Harold Greene on the Ponce De Leon/Graceville interLATA route. The Graceville/Holmes and Jackson routes and the Bonifay/Cottondale - Chipley routes should be implemented on or before July 1, 1991. Centel and St. Joe should coordinate implementation of the leads/Chattahoochee route which should be on or before July 1, 1991.

Upon implementation of the Centel routes, the Toll-Pac rates in Section 21 of General Customer Service Tariff should be deleted on the following routes: from Crestview to Ft. Walton Beach, between Destin and Seagrove Beach, from Seagrove Beach and Freeport to Ft. Walton Beach and from Freeport to Valparaiso.

In summary, while the messages per access line are less than 3.0 (Table 78-13) on most routes, staff believes that a rate case proceeding is an appropriate place to adjust EAS. Further, this will place these counties similar to the countywide calling patterns that current exists in Centel's service areas in Leon, Bradford, Clay, Jefferson, Madison and Wakulla Counties.

The revenue impact of this change, based on staff's recommended MTS rates and local rates, is \$1,653,485. This includes \$2,179,142 in lost toll offset by \$525,656 in regrouping revenues. This will be further offset by the \$29,166 annual revenue from the \$.25 message charge on the Sneads/Chattahoochee route.

TABLE 78-13
 COUNTYWIDE CALLING HOLMES COUNTY
 MESSAGES PER ACCESS LINE

FROM	TO	OFFICE	COUNTY	MAIN			REVENUE	REVENUE	CALLS	
				STATIONS	MESSAGES	MINUTES	PER MESSAGE	PER MIN	PER MIN	
HOLMES COUNTY										
PONCE DE LEON	BONIFAY	16	HOLMES/WASHINGTON	966	2,054	7,470	\$1,437.10	0.70	1.52	2.2
	REYNOLDS HILL	14	HOLMES	966	1,340	5,014	\$1,152.56	0.74	1.22	1.6
	WESTVILLE	7	WASHINGTON/HOLMES	966	1,511	5,670	\$604.30	0.40	0.64	1.6
BONIFAY	PONCE DE LEON	16	HOLMES/WALTON	3,574	1,190	6,438	\$953.68	0.80	0.27	0.3
REYNOLDS HILL	PONCE DE LEON	14	WALTON/HOLMES	1,100	1,195	4,066	\$646.72	0.54	0.55	1.0
Total				5,700	7,491	30,258	\$4,794.44	0.64	0.64	1.3

Source: EXH 102, p.297

TABLE 78-13
 COUNTYWIDE CALLING OKALOOSA COUNTY
 MESSAGES PER ACCESS LINE

FROM	TO	MILE-AGE	COUNTY	STATIONS	MESSAGES	MINUTES	REVENUE	REVENUE PER MESSAGE	REVENUE PER MIN	CALLS PER MIN
OKALOOSA COUNTY										
SMALJMAR	BAKER	25	OKALOOSA	7,016	649	2,797	8677.72	1.09	0.09	0.1
	CRISTVIEW	22	OKALOOSA	7,016	6,720	30,975	87,447.47	1.31	1.06	1.0
FT. WALTON BEACH	BAKER	20	OKALOOSA	35,132	4,952	19,007	64,695.45	0.94	0.13	0.1
	CRISTVIEW	25	OKALOOSA	35,132	41,526	149,984	841,095.77	0.99	1.17	1.2
CRISTVIEW	DISTIN	24	OKALOOSA/WALTON	9,673	4,136	16,442	84,246.74	1.03	0.44	0.4
	FT. WALTON BEACH	25	OKALOOSA	9,673	49,185	127,654	852,074.30	1.04	3.41	3.3
	SMALJMAR	22	OKALOOSA	9,673	6,815	31,339	87,510.76	1.00	0.78	0.7
	VALPARAISO	18	OKALOOSA/WALTON	9,673	19,863	82,285	813,305.31	0.67	1.38	2.1
BAKER	DISTIN	20	OKALOOSA/WALTON	3,792	476	1,913	6422.93	0.91	0.74	0.3
	FT. WALTON BEACH	28	OKALOOSA	3,792	5,711	25,451	84,461.17	0.78	2.45	2.2
	SMALJMAR	25	OKALOOSA	3,792	634	3,607	8678.84	1.07	0.23	0.4
	VALPARAISO	23	OKALOOSA/WALTON	3,792	3,466	7,373	81,622.35	0.97	0.51	0.5
VALPARAISO	BAKER	23	OKALOOSA	13,284	1,795	8,627	83,972.35	1.10	0.15	0.1
	CRISTVIEW	18	OKALOOSA	13,284	26,821	90,213	814,054.54	0.68	1.04	1.0
DISTIN	BAKER	28	OKALOOSA	16,590	519	2,204	8855.43	1.07	0.23	0.0
	CRISTVIEW	24	OKALOOSA	16,590	4,360	17,517	84,587.18	1.00	0.47	0.4
			Total	77,415	169,983	677,114	159,519	0.94	2.04	2.0

Source: EAH 102, p. 296

DOCKET NO. 891246-TL
 JANUARY 16, 1991

TABLE 78-13
 COUNTYWIDE CALLING JACKSON COUNTY
 MESSAGES PER ACCESS LINE

FROM	TO	MILE-AGE	COUNTY	MAIN STATIONS	MESSAGES	MINUTES	REVENUE	REVENUE	CALLS	
							PER MESSAGE	PER MIN	PER RATE	
JACKSON COUNTY										
ALFORD	GRAND RIDGE	27	JACKSON	1,148	0	0	80.00	0.00	0.00	0.0
	GREENWOOD	18	JACKSON	1,148	458	2,084	\$204.19	0.62	0.25	0.4
	MALONE	23	JACKSON	1,148	0	0	80.00	0.00	0.00	0.0
	SNEADS	27	JACKSON	1,148	0	0	80.00	0.00	0.00	0.0
COTTONDALE	GRAND RIDGE	23	JACKSON	1,048	0	0	80.00	0.00	0.00	0.0
	GREENWOOD	14	JACKSON	1,048	756	3,415	\$457.57	0.61	0.44	0.7
	MALONE	17	JACKSON	1,048	918	3,437	\$747.09	0.71	0.71	0.9
	SNEADS	28	JACKSON	1,048	0	0	80.00	0.00	0.00	0.0
GRAND RIDGE	ALFORD	22	JACKSON/WASHINGTON	1,661	0	0	80.00	0.00	0.00	0.0
	GREENWOOD	14	JACKSON	1,661	2,383	10,890	\$1,457.65	0.61	0.61	1.0
	MALONE	19	JACKSON	1,661	3,491	14,687	\$2,174.11	0.62	1.21	2.1
GREENWOOD	ALFORD	18	JACKSON/WASHINGTON	668	573	2,593	\$342.03	0.60	1.51	0.9
	COTTONDALE	14	JACKSON	668	788	4,123	\$550.35	0.70	0.31	1.0
	GRAND RIDGE	14	JACKSON	668	2,491	10,775	\$1,491.60	0.60	2.20	3.7
	SNEADS	18	JACKSON	668	678	3,213	\$486.78	0.72	0.70	1.0
MALONE	ALFORD	23	JACKSON/WASHINGTON	1,053	0	0	80.00	0.00	0.00	0.0
	COTTONDALE	17	JACKSON	1,053	775	3,662	\$566.60	0.73	0.50	0.7
	GRAND RIDGE	19	JACKSON	1,053	3,570	14,091	\$2,125.31	0.59	1.94	3.3
	SNEADS	23	JACKSON	1,053	0	0	80.00	0.00	0.00	0.0
SNEADS	ALFORD	27	JACKSON/WASHINGTON	1,439	0	0	80.00	0.00	0.00	0.0
	COTTONDALE	28	JACKSON	1,439	0	0	80.00	0.00	0.00	0.0
	GREENWOOD	18	JACKSON	1,439	515	3,014	\$432.78	0.70	0.31	0.4
	MALONE	23	JACKSON	1,439	0	0	80.00	0.00	0.00	0.0
Total				11,784	17,436	81,979	13,328	0.64	0.94	1.5

Source: EXH 102, p. 294

Exhibit REP-3
Docket No. 950699-TL

FRANKLIN COUNTY EAS/ECS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for county-wide toll free telephone service by the Franklin County Board of Commissioners.

DOCKET NO. 900302-TL
ORDER NO. 23962
ISSUED: 1/7/91

The following Commissioners participated in the disposition of this matter:

- MICHAEL McK. WILSON, Chairman
THOMAS M. BEARD
BETTY EASLEY
GERALD L. GUNTER
FRANK S. NESSERSMITH

NOTICE OF PROPOSED AGENCY ACTION

ORDER REQUIRING IMPLEMENTATION OF EXTENDED AREA SERVICE

BY THE COMMISSION:

This docket was initiated upon a resolution filed with this Commission by the Franklin County Board of County Commissioners. This resolution requested that we consider requiring implementation of extended area service (EAS) between all exchanges in Franklin County. Four exchanges are affected by this request: Alligator Point, Apalachicola, East Point, and Carrabelle. These exchanges are served by St. Joseph Telephone and Telegraph Company (St. Joe or the Company), which is subject to regulation by this Commission pursuant to Chapter 364, Florida Statutes. By Order No. 23044, issued June 7, 1990, we directed St. Joe to perform traffic studies between these exchanges to determine whether a sufficient community of interest existed, pursuant to Rule 25-4.060, Florida Administrative Code. The Company was required to prepare and submit these studies to us within sixty (60) days of the issuance of Order No. 23044, making the studies due by August 6, 1990. Subsequently, St. Joe submitted the required traffic studies.

Calls between the Apalachicola exchange and the East Point exchange are local calls. All other interexchange calls within Franklin County are toll calls.

The demographics of the areas involved in this EAS request are described below.

Demographics

Franklin County is primarily a rural county with employment mainly in the fishing and timber industries. The residents of Alligator Point are seasonal, with major interests elsewhere. The

primary impetus for this docket was the concern expressed by residents of Carrabelle for toll free calling to Apalachicola, the county seat. The Company is not aware of any proposed changes in surface transportation for the county. Growth in the county is expected to be moderate. Residents of Franklin County are dependant upon Apalachicola as the primary source of in-county medical facilities. The only hospital in Franklin County is located in Apalachicola, as well as several other clinics and medical facilities. Virtually all Franklin County branches of state agencies, in particular, HRS offices, are located in Apalachicola.

Current basic local service rates for the exchanges involved in this EAS request are shown below.

ALLIGATOR POINT

R-1	\$ 5.90
B-1	16.15
Rotary	21.00
PBX	31.15

APALACHICOLA, CARRABELLE, AND EAST POINT

R-1	\$ 6.30
B-1	17.25
Rotary	22.40
PBX	33.15

DISCUSSION

By Order No. 23044, St. Joe 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. 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.

The results of the traffic studies indicate that the one-way calling rates on the affected routes are as follows:

<u>ROUTE</u>	<u>M/M/M</u>	<u>‡ MAKING 2 OR MORE CALLS</u>
Alligator Point to Apalachicola	.19	4.5
Alligator Point to Carrabelle	.48	8.0
Alligator Point to East Point	.34	2.0
Apalachicola to Alligator Point	.02	.5
Apalachicola to Carrabelle	1.22	15.0
Carrabelle to Alligator Point	.12	2.5
Carrabelle to Apalachicola	2.09	29.0
Carrabelle to East Point	2.12	25.0
East Point to Alligator Point	.02	.04
East Point to Carrabelle	1.94	21.0

Rule 25-4.060(2)(a) 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 qualify for nonoptional EAS. As the results of the studies above indicate, none of the routes involved in this request met the threshold requirement of the Rule.

Since this docket was opened, our staff has met with the Carrabelle City Council and has had several discussions with the Company regarding the situation in Franklin County. The County Commission has continued to advocate toll free access to the county seat, as well as county-wide toll free calling.

We have considered the feasibility of a wide variety of calling plans in reaching our decision in this docket. In so doing, we have attempted to strike a fair balance between the subscribers' desire for toll relief and the Company's need to recover its costs for providing such relief. While we do agree that there is a community of interest between the residents of Carrabelle and the Alligator Point, Apalachicola, and East Point exchanges, the traffic volumes do not justify implementation of nonoptional, flat rate, two-way calling between these exchanges without providing cost recovery to the Company. The expected costs to the Company include lost toll revenue plus the additional facilities necessary to convert the existing toll traffic to local traffic. The additional facilities needed are primarily additional trunking and switching costs.

Upon consideration, we hereby propose requiring St. Joe to survey all Franklin County subscribers for nonoptional, flat rate, two-way calling between all exchanges in Franklin County. The rates at which the customers shall be surveyed are as follows:

ALLIGATOR POINT

<u>Customer Class</u>	<u>Current Rate</u>	<u>New Rate</u>
R-1	\$ 5.90	\$ 7.80
B-1	16.15	19.75
Rotary	21.00	25.00
PBX	31.15	38.00

APALACHICOLA, CARRABELLE, AND EAST POINT

<u>Customer Class</u>	<u>Current Rate</u>	<u>New Rate</u>
R-1	\$ 6.30	\$ 7.80
B-1	17.25	19.75
Rotary	22.40	25.00
PBX	33.15	38.00

Under this calling plan, all four Franklin County exchanges would receive toll free calling to and from each other. The new rates would be uniform throughout the four exchanges.

St. Joe has stated that the expected costs of the additional facilities necessary for county-wide toll free calling are

approximately \$200,000. The costs would be much greater, except that the Company, as part of its on-going modernization plans, will already be laying substantial fiber facilities in Franklin County in 1991, irrespective of the outcome of this docket. The expected cost of \$200,000 for trunking and switching is over and above the cost of the fiber facilities already being planned. To this figure, the loss of toll revenue for the routes must be added.

Based upon the traffic study data provided in this docket, the total toll revenue for intra-county toll calls for the one month June 1, 1990, billing period was \$8,028.96. Annualized, this comes to \$96,347.52 in lost toll revenue. The total revenue increase on a monthly basis using our proposed rates for county-wide calling would be \$9,672.25, which comes to \$116,067.00 on an annual basis. This revenue increase would replace the lost toll revenue of \$96,347.52 and leave an additional \$19,719.48 annually toward the stated \$200,000 cost of additional facilities required to implement EAS.

The subscribers in the Alligator Point, Apalachicola, Carrabelle, and East Point exchanges shall be surveyed by St. Joe within thirty (30) days of the date this Order become final. Prior to conducting the survey, St. Joe shall submit its explanatory survey letter and ballot to our staff for approval.

If the survey passes by a simple majority of the customers surveyed, St. Joe shall then implement the county-wide, toll free calling plan within twelve (12) months of the issuance date of our order on survey approval. By our requiring a simple majority, we are hereby waiving the fifty-one (51%) favorable vote requirement of Rule 25-4.063(5)(a), Florida Administrative Code.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the resolution filed by the Franklin County Board of County Commissioners is hereby approved to the extent outlined in the body of this Order. It is further

ORDERED that if no proper protest is filed within the time frame set forth below, St. Joseph Telephone and Telegraph Company shall, within thirty (30) days of the date this Order becomes final, survey the subscribers in the Alligator Point, Apalachicola, Carrabelle, and East Point exchanges on the implementation of a

flat rate, two-way, nonoptional extended area service plan that complies with the terms and conditions set forth herein. It is further

ORDERED that St. Joseph Telephone and Telegraph Company shall submit its survey letter and ballot to our staff for approval prior to their distribution. It is further

ORDERED that certain rules as described herein have been waived for the reasons set forth in the body of this Order. It is further

ORDERED that if the survey passes, the plan described herein shall be implemented by St. Joseph Telephone and Telegraph Company within twelve (12) months of the issuance date of our Order on survey approval. 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 to this Proposed Agency Action is filed within the time frame set forth below. It is further

ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission, this
7th day of JANUARY, 1991.



STEVE TRIBBLE, Director
Division of Records and Reporting

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for county-wide toll free service by the Franklin County Board of Commissioners	)	DOCKET NO. 900302-TL
	)	ORDER NO. 24835
	)	ISSUED: 7/19/91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
J. TERRY DEASON
BETTY EASLEY
MICHAEL MCK. WILSON

ORDER DENYING REQUEST FOR EXTENDED AREA SERVICE
AND
NOTICE OF PROPOSED AGENCY ACTION
ORDER REQUIRING IMPLEMENTATION OF ALTERNATIVE TOLL PLAN

BY THE COMMISSION:

I. BACKGROUND

This docket was initiated upon a resolution filed with this Commission by the Franklin County Board of County Commissioners. This resolution requested that we consider requiring implementation of extended area service (EAS) between all exchanges in Franklin County. Four exchanges are affected by this request: Alligator Point, Apalachicola, East Point, and Carrabelle. These exchanges are served by St. Joseph Telephone and Telegraph Company (St. Joe or the Company), which is subject to regulation by this Commission pursuant to Chapter 364, Florida Statutes. By Order No. 23044, issued June 7, 1990, we directed St. Joe to perform traffic studies between these exchanges to determine whether a sufficient community of interest existed, pursuant to Rule 25-4.060, Florida Administrative Code. The Company was required to prepare and submit these studies to us within sixty (60) days of the issuance of Order No. 23044, making the studies due by August 6, 1990. Subsequently, St. Joe submitted the required traffic study data.

By Order No. 23962, issued January 7, 1991, we proposed requiring St. Joe to survey all of its Franklin County subscribers for implementation of nonoptional, flat rate, two-way calling between all exchanges in the County, at rates set forth in the Order. No protest was filed to our proposed action, so Order No. 23962 became final on January 29, 1991, following expiration of the protest period.

re: Request for county-wide toll)
 service by the Franklin County)
 Board of Commissioners)

DOCKET NO. 900302-TL
 ORDER NO. 24835
 ISSUED: 7/19/91

The following Commissioners participated in the disposition of this matter:

THOMAS H. BEARD, Chairman
 J. TERRY DEASON
 BETTY EASLEY
 MICHAEL McK. WILSON

ORDER DENYING REQUEST FOR EXTENDED AREA SERVICE
AND

NOTICE OF PROPOSED AGENCY ACTION

ORDER REQUIRING IMPLEMENTATION OF ALTERNATIVE TOLL PLAN

BEFORE THE COMMISSION:

I. BACKGROUND

This docket was initiated upon a resolution filed with this Commission by the Franklin County Board of County Commissioners. The resolution requested that we consider requiring implementation of extended area service (EAS) between all exchanges in Franklin County. Four exchanges are affected by this request: Alligator, Apalachicola, East Point, and Carrabelle. These exchanges are served by St. Joseph Telephone and Telegraph Company (St. Joe Telephone Company), which is subject to regulation by this Commission pursuant to Chapter 364, Florida Statutes. By Order No. 23044, issued June 7, 1990, we directed St. Joe to perform traffic studies between these exchanges to determine whether a sufficient community interest existed, pursuant to Rule 25-4.060, Florida Administrative Code. The Company was required to prepare and submit these studies to us within sixty (60) days of the issuance of Order No. 23044, making the studies due by August 6, 1990. Subsequently, St. Joe submitted the required traffic study data.

By Order No. 23912, issued January 7, 1991, we proposed requiring St. Joe to survey all of its Franklin County subscribers for implementation of nonoptional, flat rate, two-way calling on all exchanges in the County, at rates set forth in the Order. No protest was filed to our proposed action, so Order No. 23912 became final on January 29, 1991, following expiration of the protest period.

II. SURVEY RESULTS

In accordance with the directive contained in Order No. 23962, St. Joe proceeded to survey its Franklin County customers. St. Joe mailed 5397 ballots to all customers of record in Franklin County. The results of the survey are as follows:

	<u>NUMBER</u>	<u>PERCENT</u>
Ballots Mailed	5397	100%
Ballots Returned	2651	49%
Ballots Not Returned	2746	51%
Ballots for EAS	1717	32%
Ballots Against EAS	889	16%
Invalid ballots	45	1%

In order for the survey to pass, we required a margin of fifty percent (50%) plus one (1) favorable vote (at least 2699 votes) out of all subscribers surveyed. Therefore, the survey has failed and we shall not require St. Joe to implement EAS on any of the routes in Franklin County.

III. ALTERNATIVE TOLL PLAN

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.

Although the survey has failed, we believe there are several compelling reasons why some form of toll relief should be offered to the residents of Franklin County. Among these are community of interest factors other than traffic volume. Presently, calls from both the Alligator Point and Carrabelle exchanges to Apalachicola (the county seat) are toll calls. Residents are dependent upon Apalachicola as the primary source of in-county medical facilities. The only hospital in Franklin County is located in Apalachicola, along with numerous clinics and medical service providers. In addition, virtually all Franklin County branches of state agencies, in particular HRS offices, are located in Apalachicola. These are the same factors we recognized when we issued our Order in January.

Upon consideration, we hereby propose requiring St. Joe to implement the alternative toll plan known as the \$.25 plan in Franklin County. Calls between all exchanges in Franklin County will be rated at \$.25 per call, regardless of call duration, except between Apalachicola and Eastpoint, where toll free calling is already in place. These calls shall be furnished on a seven-bit basis and shall be reclassified as local. They shall be billed by pay telephone providers as any other local call. Customers may make an unlimited number of calls at \$.25 per call.

St. Joe shall implement this calling plan within twelve (12) months of the date this Order becomes final. The optional calling plan presently in place between Alligator Point and Carrabelle shall be eliminated simultaneously with implementation of the \$.25 plan.

We recognize that there is an economic impact to St. Joe as a result of our proposed calling plan. Based upon the traffic study as provided in this docket, the total toll revenue for intrajurisdictional toll calls for the one month June 1, 1990, billing period was \$58,028.96. Annualized, this comes to \$96,347.52 in lost toll revenue. Based upon the number of messages shown in the traffic study data, implementation of the \$.25 plan would yield \$3,209 in monthly revenue. Annualized, the \$.25 plan would yield \$38,508 in revenue, resulting in an annual revenue loss of \$57,840. A loss of this magnitude would represent a 0.43% reduction in return on equity for St. Joe, which we do not see as significant, given St. Joe's present healthy earnings position. It should be noted that these figures do not include any stimulation. Although stimulation can be difficult, even impossible to predict, if the number of calls on these routes were to little more than double, the projected revenue loss would be negated. Accordingly, we find it appropriate to waive Rule 25-4.062(4), Florida Administrative Code, which provides for full recovery of costs where the qualification for EAS is dependent upon calling levels and subscriber approval of the petitioning exchange (the entire county here).

Finally, following implementation of the calling plan, St. Joe shall file quarterly reports with our staff, broken down on a monthly basis. These reports shall include a detailed analysis of the distribution of calling usage among subscribers, over each month, segregated between business and residential users and detailed, showing for each category the number of customers making (0) calls, one (1) call, et cetera, through twenty-five (25) calls.

calls, and in ten (10) call increments thereafter, to ninety-five (95) calls, and ninety-six (96) or more calls. These reports on usage shall be filed for a one year period following implementation. These usage reports shall also include a record of any customer contact, along with the reason for such contact, regarding the \$.25 calling plan.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the survey required by Order No. 23962 has failed and that St. Joseph Telephone and Telegraph Company shall not be required to implement the extended area service plan contemplated by Order No. 23962. It is further

ORDERED that if no proper protest is filed within the time frame set forth below, St. Joseph Telephone and Telegraph Company shall, within twelve months of the date this Order becomes final, implement an alternative toll plan in Franklin County in accordance with the terms and conditions set forth in Section III of this Order. It is further

ORDERED that Rule 25-4.062(4), Florida Administrative Code, has been waived for the reasons discussed in the body of this Order. It is further

ORDERED that St. Joseph Telephone and Telegraph Company shall file certain reports as set forth herein. It is further

ORDERED that our actions described in Section III of this Order shall become final and this docket shall be closed following the expiration of the protest period specified below, if no proper protest to our proposed agency action is filed in accordance with the requirements set forth below.

By ORDER of the Florida Public Service Commission, this 19th
day of JULY, 1991


STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)
ABG

Exhibit REP-4
Pocket No. 950699-TL

MOUNT DORA ECS

1 of 7

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

re: Resolution by the Orange County Board of County Commissioners for extended area service between the Mount Dora exchange and the Apopka, Orlando, Winter Park, East Orange, Reedy Creek, Winder- garden, and Lake Buena Vista exchanges) DOCKET NO. 900039-TL) ORDER NO. 24992) ISSUED: 8/29/91
---	--

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
 J. C. HARRY DEASON
 BETTY EASLEY
 MICHAEL MCK. WILSON

ORDER DENYING IMPLEMENTATION OF EXCHANGE TRANSFER
AND
NOTICE OF PROPOSED AGENCY ACTION
ORDER REQUIRING IMPLEMENTATION OF ALTERNATIVE TOLL PLAN

THE COMMISSION:

I. BACKGROUND

This docket was initiated pursuant to Resolution No. 89-M-118 filed with this Commission by the Orange County Board of County Commissioners, requesting that we consider requiring implementation of extended area service (EAS) between the Mt. Dora exchange and other exchanges in Orange County. By Order No. 22567, issued February 16, 1990, we directed Southern Bell Telephone and Telegraph Company (Southern Bell), United Telephone Company of Florida (United), and Vista-United Telecommunications (Vista-United) to perform traffic studies between these exchanges to determine whether a sufficient community of interest existed, pursuant to Rule 25-4.060, Florida Administrative Code. In particular, the companies were directed to submit studies of the traffic between the Mt. Dora exchange (with separate studies for the Orange County pocket area of the Mt. Dora exchange) and the Apopka, East Orange, Lake Buena Vista, Orlando, Reedy Creek, Winder-garden, Winter Garden, and Winter Park exchanges. All of these exchanges are served by United, except the Orlando and East Orange exchanges, which are served by Southern Bell, and the Lake Buena Vista exchange, which is served by Vista-United. In addition to providing intercompany routes, this request also involves interLATA (local access transport area) routes. The Mt. Dora exchange is

located in the Gainesville LATA, while the remaining exchanges are located in the Orlando LATA. The companies were to prepare and submit these studies to us within sixty (60) days of the issuance of Order No. 22567, making the studies due by April 17, 1990.

On April 4, 1990, Southern Bell filed a Motion for Extension of Time, requesting an extension through and including May 17, 1990, in which to prepare and to submit the required traffic studies. As grounds for its request, Southern Bell cited the complexities inherent in the preparation of traffic studies for EAS pocket areas, including the need to compile and tabulate the data manually. By Order No. 22807, issued April 12, 1990, we granted Southern Bell the requested extension of time through May 17, 1990.

Subsequently, all three companies filed the required traffic studies in response to Order No. 22567. On May 17, 1990, Southern Bell filed a request for confidential treatment of certain portions of its traffic study data. Southern Bell requested specified confidential treatment of only that data which represented a quantification of traffic along interLATA routes. By Order No. 22983, issued May 25, 1990, we granted Southern Bell's request. Similar requests for specified confidential treatment were filed by United on July 16, 1990, and by Vista-United on August 2, 1990. By Order No. 23303, issued August 3, 1990, and Order No. 23351, issued August 13, 1990, we granted each of these requests.

By Order No. 23635, issued October 18, 1990, we proposed requiring United to survey its customers in the Orange County pocket area of the Mt. Dora exchange for a transfer to the Apopka exchange, at rates set forth in the Order. No protest was filed to our proposed action, so Order No. 23635 became final on November 9, 1990, following expiration of the protest period.

II. SURVEY RESULTS

In accordance with the directive contained in Order NO. 23635, United proceeded to survey its customers in the Orange County pocket area of the Mt. Dora exchange. United mailed 744 ballots to all customers of record in the survey area. The results of the survey are as follows:

ORDER NO. 24992
DOCKET NO. 900039-TL
PAGE 3

	Number	Percent
Ballots Mailed	744	100%
Ballots Returned	531	71%
Ballots Not Returned	213	29%
For Transfer	192	26%
Against Transfer	335	45%
Invalid Ballots	4	<1%

In order for the survey to pass, we required a margin of fifty percent (50%) plus one (1) favorable vote (at least 373 votes) out of all subscribers surveyed. As the table above reveals, the survey has failed and, therefore, we shall not require United to implement the exchange transfer contemplated by Order No. 23635.

III. ALTERNATIVE TOLL PLAN

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.

All of the routes under consideration in this docket are interLATA routes. The actual results of the traffic studies were afforded confidential treatment by Orders Nos. 22983, 23303, and 2351. As we reported in Order No. 23635, none of the routes under consideration met the threshold of Rule 25-4.060(2)(a), which requires three (3) or more messages per main or equivalent main station per month (M/M/M), with at least fifty percent (50%) of the exchange subscribers making two (2) or more calls per month, to qualify for nonoptional EAS. Further, taken as a whole, the Mt. Dora exchange exhibits calling rates to the Orlando, Apopka, and Winter park exchange which would qualify only for an optional EAS plan under our rules, if optional plans were technically feasible for interLATA routes.

Since the time of the original decision in this docket, a new alternative plan has come into favor. In several recent dockets we have ordered an alternative to traditional EAS known as the \$.25 plan. This plan has gained favor for several reasons, including its simplicity, its message rate structure, and the fact that it can be implemented as a local calling plan on an interLATA basis. Optional EAS plans, particularly OEAS plans, are somewhat confusing to customers; the additives or buy-ins are generally

ORDER NO. 24992
DOCKET NO. 900039-TL
PAGE 4

rather high; and the take rates for most OEAS plans have been rather low. We have also expressed our concern that where Toll-Pac is implemented, a three minute message still has a substantial cost to the customer. For example, in the peak period, a three minute message from Mt. Dora to Orlando would only be reduced from \$.7050 to \$.4950. However, the most important reason we favor the \$.25 plan in this particular instance is that the \$.25 plan (which converts the traffic to local status, and is implemented on a seven digit basis) is feasible for interLATA routes, whereas most other usage sensitive alternatives to EAS are feasible only for intraLATA routes.

Upon consideration, we hereby propose requiring United and Southern Bell to implement the alternative toll plan known as the \$.25 plan on the following routes: between Mt. Dora and Apopka; between Mt. Dora and Orlando; and between Mt. Dora and Winter Park. Calls between these exchanges shall be rated at \$.25 per call, regardless of call duration. These calls shall be furnished on a seven digit basis and shall be reclassified as local for all purposes. These calls shall be handled by pay telephone providers in the same way and at the same price to end users as any other local call. Customers may make an unlimited number of calls at \$.25 per call. Affected customers shall be provided with appropriate directory listings.

In reaching the above decision, we considered United's comments regarding our proposal, particularly its concerns with our requiring seven digit dialing. Although exhaustion of NXX codes is a legitimate concern, we do not see this as relevant in this particular case, where 1+ dialing will not be utilized (our plan requires seven digit dialing, like all other local calls).

Proper assignment of NXXs has historically avoided the problem of the same NXX being used in two NPAs, yet both within the local calling area, or potentially within the local calling area, of one exchange. For example, NXXs which are assigned to the Orlando exchange in the 407 area code would not be assigned in the Lake County area (near Orlando, but in the 904 area code). Rather, NXXs used in Orlando should be assigned in Jacksonville or Pensacola (904 area code but more distant from Orlando). Since there is little likelihood of local calling between Orlando and Jacksonville, or Orlando and Pensacola, the use of the same NXX in both areas should not pose any switching or dialing problems. Although seven digit dialing across NPA boundaries may make future

DER NO. 24992.
DOCKET NO. 900039-TL
PAGE 5

Assignment of NXXs slightly more difficult, we do not find the additional difficulty to be very significant. In fact, seven digit local calling across NPA boundaries already exists in several areas of the state.

An additional consideration here is the calling scope of the Monteverde exchange. The Monteverde exchange has local calling to exchanges which the Mt. Dora exchange can presently call. In addition, the Monteverde exchange has local calling to the Apopka, Ocala, and Winter Park exchanges, as well as several others in the 407 area. Because of this large calling scope (into two NPAs - 404 and 904), no NXXs can be assigned in both NPAs which would be local call from Monteverde. Therefore, regardless of whether seven digit or ten digit dialing were ordered in this docket, the future assignment of NXXs would be unaffected. Accordingly, we find it appropriate that the \$.25 message rate plan be implemented on a seven digit basis.

We recognize that there is an economic impact to United and Southern Bell as a result of our proposed calling plan. Based upon traffic study data provided in this docket, the estimated monthly revenue loss, without considering stimulation, is \$52,266 - \$414 for United and \$9,222 - \$9,880 for Southern Bell. It should be noted that these figures do not include any stimulation. Although stimulation levels can be difficult, even impossible to predict, if the number of calls on these routes were to little more than double, the projected revenue loss would be negated. Accordingly, we find it appropriate to waive Rule 25-4.062(4), Florida Administrative Code, which provides for full recovery of costs where the qualification for EAS is dependent upon calling volume and subscriber approval of the petitioning exchange, to the extent that this rule arguably applies in this scenario.

United and Southern Bell shall implement this calling plan within twelve (12) months of the date this Order becomes final. Southern Bell shall immediately begin seeking a waiver of the Affirmed Final Judgment to allow it to carry the traffic on the affected routes.

Finally, following implementation of the calling plan, United and Southern Bell shall file quarterly reports with our staff, broken down on a monthly basis. These reports shall include a detailed analysis of the distribution of calling usage among subscribers, over each route, segregated between business and

residential users and combined, showing for each category the number of customers making zero (0) calls, one (1) call, et cetera, through twenty-five (25) calls, and in ten (10) call increments thereafter, to ninety-five (95) calls, and ninety-six (96) or more calls. These reports on usage shall be filed for a one year period following implementation. These usage reports shall also include a record of any customer contact, along with the reason for such contact, regarding the \$.25 calling plan.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the survey required by Order No. 23635 has failed and that United Telephone Company of Florida shall not be required to implement the exchange transfer contemplated by Order No. 23635. It is further

ORDERED that if no proper protest is filed within the time frame set forth below, United Telephone Company of Florida and Southern Bell Telephone and Telegraph Company shall, within twelve months of the date this Order becomes final, implement an alternative toll plan in accordance with the terms and conditions set forth in Section III of this Order. It is further

ORDERED that Southern Bell Telephone and Telegraph Company shall seek a waiver of the Modified Final Judgment in accordance with the requirement set forth in Section III of this Order. It is further

ORDERED that Rule 25-4.062(4), Florida Administrative Code, has been waived for the reasons discussed in the body of this Order. It is further

ORDERED that United Telephone Company of Florida and Southern Bell Telephone and Telegraph Company shall file certain reports as set forth herein. It is further

ORDERED that our actions described in Section III of this Order shall become final and this docket shall be closed following the expiration of the protest period specified below, if no proper protest to our proposed agency action is filed in accordance with the requirements set forth below.

ORDER NO. 24992
CHECK NO. 900039-TL
PAGE 7

By ORDER of the Florida Public Service Commission, this 29th
day of AUGUST, 1991.


STEVE TRIBBLE Director
Division of Records and Reporting

E A L)

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 0.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that are 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.

As identified in the body of this Order, our action described in Section III of this Order 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 9/19/91. In the absence of such a petition, this Order shall become effective on the date subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Exhibit REP-5
Docket No. 950699-TL

GILCHRIST COUNTY ECS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Gilchrist County	)	DOCKET NO. 870790-TL
Commissioners for extended area service	)	ORDER NO. 25340
throughout Gilchrist County	)	ISSUED: 11/13/91

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON
MICHAEL MCK. WILSON

NOTICE OF PROPOSED AGENCY ACTION
ORDER ACCEPTING SETTLEMENT AGREEMENT

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.

This docket was initiated in response to a resolution filed with this Commission by the Gilchrist County Board of County Commissioners (Gilchrist County). This resolution requested that we consider requiring implementation of extended area service (EAS) throughout Gilchrist County. Four exchanges are affected by this request: Branford, High Springs, Newberry, and Trenton. The Branford and High Springs exchanges are served by ALLTEL Florida, Inc. (ALLTEL), while the Newberry and Trenton exchanges are served by Southern Bell Telephone and Telegraph Company (Southern Bell). In addition to involving intercompany routes, this request also involves interLATA (local access transport area) routes. The Branford and High Springs exchanges are located in the Jacksonville LATA, while the Newberry and Trenton exchanges are located in the Gainesville LATA. Not one of the four exchanges is located exclusively in Gilchrist County.

There has been a substantial amount of activity in this docket since it was first opened in 1987. A review of that history can be found in Orders Nos. 23856 and 24752 and will not be repeated here. Because Gilchrist County had protested our proposal to deny any further EAS in the county, this matter was set for hearing on July 1, 1991, in Bell, Florida. Subsequently, it came to our attention that a number of parties to the docket had entered into negotiations with the goal of resolving all of the issues presented by Gilchrist County's petition. In an attempt to facilitate these

efforts, we cancelled the scheduled hearing to allow the parties to continue their negotiations.

Subsequently, an agreement was reached between Gilchrist County, ALLTEL, and Southern Bell. The operative portions of this agreement are set forth below:

1. Southern Bell agrees to charge a local message rate of \$.25 per call regardless of the call duration for calls made between Southern Bell's Trenton exchange and Newberry exchange and to treat such calls as local calls.

2. ALLTEL agrees to charge a local message rate of \$.25 per call regardless of the call duration for calls made between ALLTEL's High Springs exchange and Branford exchange and to treat such calls as local calls.

3. Southern Bell will not object to the Commission ordering a local message rate of \$.25 per call to be applied to calls which are currently transported over a LATA boundary from the Trenton exchange to the High Springs or Branford exchange or over a LATA boundary from the Newberry exchange to the Branford exchange. ALLTEL will not object to the Commission ordering a local message rate of \$.25 per call to be applied to calls which are currently transported over a LATA boundary from the High Springs or Branford exchanges to Trenton exchange or over LATA boundary from the Branford exchange to the Newberry exchange. All parties recognize that Southern Bell's ability to provide such service is contingent upon obtaining appropriate relief of the court having jurisdiction over the Modification of Final Judgment ("MFJ"). Southern Bell agrees to use due diligence in seeking a waiver of the MFJ restrictions. The existing rates and services between the Newberry and High Springs exchanges shall remain in effect.

4. It is the intent of Southern Bell and ALLTEL to implement the \$.25 local message rate, if so ordered by the Commission, by July 1, 1992.

5. Southern Bell will discontinue all its Enhanced Optional Extended Area Service ("EOEAS") options in Gilchrist County with the exception of the EOEAS premium

option. Notwithstanding the foregoing, Southern Bell's EOEAS options will continue to be offered to customers in the Trenton exchange for calls made between the Trenton exchange and the Gainesville exchange. All other existing local rates in Gilchrist County will remain in effect. The parties agree that this Agreement shall not preclude ALLTEL, Southern Bell or Gilchrist County from requesting rate relief in the future for any rates associated with the exchanges in Gilchrist County.

6. The parties agree that this Agreement shall not have precedential value for other proceedings and has been entered into solely for the purpose of resolving all disputes regarding the provision of EAS in Gilchrist County.

Upon review of the facts and circumstances surrounding this, we find it reasonable and appropriate to approve the negotiated settlement agreement in its entirety. Accordingly, calls between Branford and High Springs, Branford and Newberry, Branford and Trenton, High Springs and Trenton, and Newberry and Trenton shall be rated at \$.25 per call, regardless of call duration. These calls shall be furnished on a seven-digit basis. Calls at pay telephones shall be treated as local for both end users and pay telephone providers. ALLTEL and Southern Bell shall implement this calling plan no later than July 1, 1992. Southern Bell shall immediately begin seeking a waiver of the Modified Final Agreement to allow it to carry the traffic on the affected routes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the settlement agreement entered into by the Board of County Commissioners of Gilchrist County, Southern Bell Telephone and Telegraph Company, and ALLTEL Florida, Incorporated for the purpose of resolving the issues in this docket is hereby approved in its entirety. It is further

ORDERED that if no proper protest is filed within the time set forth below, our proposed action shall become final and this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 13th
day of NOVEMBER, 1991.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

ABG

by Kay J. [Signature]
Chief, Bureau of Records

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 12/4/91.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

5 of 12

In re: Request for extended area service) DOCKET NO. 870790-TL
(EAS) throughout Gilchrist County) ORDER NO. 23856
_____) ISSUED: 12-10-90

The following Commissioners participated in the disposition of this matter:

MICHAEL MCK. WILSON, Chairman
THOMAS M. BEARD
BETTY EASLEY
GERALD L. GUNTER
FRANK S. MESSERSMITH

NOTICE OF PROPOSED AGENCY ACTION
ORDER DENYING REQUEST FOR EXTENDED AREA SERVICE

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.

This docket was initiated upon a resolution filed with this Commission by the Gilchrist County Board of County Commissioners. This resolution requested that we consider requiring implementation of extended area service (EAS) throughout Gilchrist County. Four exchanges are affected by this request: Branford, High Springs, Newberry and Trenton. The Branford and High Springs exchanges are served by ALLTEL Florida, Inc. (ALLTEL), while the Newberry and Trenton exchanges are served by Southern Bell Telephone and Telegraph Company (Southern Bell). Both companies are subject to regulation by this Commission pursuant to Chapter 364, Florida Statutes.

In addition to involving intercompany routes, this request also involves interLATA (local access transport area) routes. The Branford and High Springs exchanges are located in the Jacksonville LATA, while the Newberry and Trenton exchanges are located in the Gainesville LATA. Not one of the four exchanges is located exclusively in Gilchrist County.

By Order No. 17943, issued August 6, 1987, we directed ALLTEL and Southern Bell to prepare and submit traffic studies on the routes affected by this resolution so that we could determine if a sufficient community of interest existed pursuant to Rule 25-4.060, Florida Administrative Code. For those studies, we requested that

DOCUMENT NUMBER-DATE

10924 DEC 10 1993

FPSC-RECORDS/REPORTING

the companies 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.

At the time we issued Order No. 17943, Gilchrist County consisted of the following non-EAS routes:

<u>ROUTE</u>	<u>MILEAGE</u>
Branford to High Springs	22
Trenton to Newberry	13
Branford to Trenton*	25
High Springs to Trenton*	21
Branford to Newberry*	30

*InterLATA routes

The High Springs to Newberry route, an interLATA route, already had flat rate, two-way, nonoptional EAS, which had been implemented prior to divestiture.

Subsequently, both ALLTEL and Southern Bell filed their respective traffic studies in response to Order No. 17943. As part of their traffic studies, the companies also submitted demographic information as described below.

The Gilchrist County seat is located in Trenton. The average income level in the Trenton exchange ranges from lower to middle income. Medical facilities, schools, and some stores are located in Trenton. The Newberry exchange is comprised of many retirees and second homes. The average income level in the Newberry exchange is lower to middle income. The western twenty percent (20%) of the Newberry exchange is located in Gilchrist County, while the rest of the exchange lies in Alachua County. The residents in the western twenty percent (20%) of the county go to school, shop, and have post office delivery in Trenton. The residents of the middle sixty percent (60%) of the Newberry exchange, located in Alachua County, are tied to Newberry for schools and shopping. For medical treatment, some residents go south to Williston, but most go east to Gainesville. The residents of the eastern twenty percent (20%) of the exchange have a community of interest with Gainesville. ALLTEL reports that the community of interest for the Gilchrist County residents in the

Branford, Newberry and High Springs exchanges are the governmental offices, banks and other businesses located in Trenton.

The traffic studies submitted by the companies in response to Order No. 17943 revealed the following one-way calling rates on the affected routes, including foreign exchange (FX) data:

<u>ROUTE</u>	<u>M/M/Ms</u>	<u>3 MAKING 2 OR MORE CALLS</u>
Branford to High Springs	.89	13.44¢
High Springs to Branford	.93	8.49¢
Trenton to Newberry	1.88	22.65¢
Newberry to Trenton	4.09	21.31¢
Branford to Trenton*	1.78	16.50¢
Trenton to Branford*	n/a	n/a
High Springs to Trenton*	1.15	7.76¢
Trenton to High Springs*	n/a	n/a
Branford to Newberry*	.17	2.45¢
Newberry to Branford	n/a	n/a

*Interlata routes - ALLTEL filed traffic study results, but Southern Bell did not.

Rule 25-4.060(2)(a) 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 EAS. The results of the traffic studies indicated that the one-way calling rates on the routes for which we had traffic study data fell below this threshold rule requirement.

At our February 2, 1988, Agenda Conference, we heard comments from two members of the Gilchrist County Board of County Commissioners (the County Commission) requesting a survey for countywide calling. While we believed the calling rates were very low, nevertheless, we instructed ALLTEL and Southern Bell to develop a countywide flat rate on which the customers could be surveyed.

Subsequently, the companies filed the requested countywide flat rates, along with a corresponding revenue impact statement. The matter was scheduled to be taken up again at our October 18, 1988, Agenda Conference. However, prior to that Agenda Conference, the Office of Public Counsel requested indefinite deferral of this

ORDER NO. 23856
DOCKET NO. 870790-TL
PAGE 4

item on behalf of the County Commission. The County Commission believed that the probability of the survey passing was very low because all four of the exchanges in Gilchrist County also partially lie in other counties.

Following this deferral, our staff continued to pursue various possibilities for providing toll relief to the customers in Gilchrist County. The County Commission has stressed the need for those subscribers living outside Trenton to be able to call their county seat. One customer sent a letter to our staff in December of 1988, outlining the calling problems in the county and making suggestions for a solution. This customer described the rural nature of the county and the problems this causes for those in outlying areas, particularly the need of those subscribers whose children attend school in Trenton to be able to contact the schools and vice versa, along with the need to contact county offices in Trenton. This customer noted that while some government offices did have FX lines to other exchanges, he believed a more efficient use of access lines could be achieved with EAS. One of his suggestions was to survey only the customers living within the Gilchrist County portions of the four exchanges for a flat rate, two-way, nonoptional calling plan. His second suggestion was to implement a two-way optional plan, recognizing the need for manual implementation through billing in the Branford exchange because of its step-by-step switch.

As to this customer's first proposal, while feasible, we have been against implementation of flat rate two-way EAS to pocket areas in the past. Among our reasons for this are the scarcity of NXX codes and issues of fairness. Nevertheless, because of assertions of both the county attorney and county residents that the portions of the exchanges outside Gilchrist County obscured the calling patterns within Gilchrist County, we issued Order No. 20607 on January 17, 1989, directing the companies to perform pocket area traffic studies.

In the meantime, in an attempt to provide some relief to customers, our staff filed a recommendation that County Seat Calling be implemented in Gilchrist County. This plan basically provides for free calling to particular county governmental agencies, schools, etc., as determined by the most frequently called numbers within the county. At our March 21, 1989, Agenda Conferance where we considered this proposal, ALLTEL registered its opposition, stating that it had not been given sufficient time to

ORDER NO. 23856
DOCKET NO. 870790-TL
PAGE 5

study the proposal and did not know the costs to the company for implementation. Interexchange carriers (IXCs) also had concerns with the precedent-setting nature of such a proposal, considering the interLATA routes involved. Accordingly, we deferred the matter and directed the companies and our staff to gather further information on the proposal.

After the Agenda Conference, our staff received a number of letters outlining problems and concerns with County Seat Calling. Our staff also had conversations with the county attorney and others who stated that County Seat Calling was not a solution because calls to businesses and many other necessary places would not be included. Our staff then awaited the results of the pocket traffic studies.

Subsequently, both ALLTEL and Southern Bell filed the requested traffic studies, along with a request for specified confidential treatment of certain portions of the data. By Orders Nos. 21452 and 21453, issued June 27, 1989, we denied these requests. On July 11, 1989, both ALLTEL and AT&T Communications of the Southern States, Inc. (ATT-C) filed Protests of Order No. 21452. On July 13, 1989, Southern Bell filed a Motion for Extension of Time in which to respond to Order No. 21453. On July 14, 1989, ATT-C filed its Protest of Order No. 21453, along with a Motion to Accept Protest Filed Out of Time. On July 26, 1989, Southern Bell filed its Protest of Order No. 21453. After consideration of the arguments advanced in these protests, we issued Order No. 23654 on October 23, 1990, and granted specified confidential treatment to the traffic data for the interLATA routes in this docket.

On September 7, 1989, Gilchrist County filed a Motion Requesting Issuance of Proposed Agency Action Order (Motion), along with a Draft of Proposed Agency Action Order Granting Countywide Extended Area Service (Draft Order). This Motion, as well as the results of the pocket traffic studies, were considered at our November 6, 1990, Agenda Conference.

ORDER NO. 23856
 DOCKET NO. 870790-TL
 PAGE 6

Each of the involved exchanges currently has EAS as follows:

<u>EXCHANGE</u>	<u>ACCESS LINES</u>	<u>EAS CALLING SCOPE</u>
Branford	2,582	Dowling Park, Florida Sheriff's Boys Ranch, Live Oak, Luraville, Mayo, Wellborn
High Spring	3,075	Alachua, Fort White, Gainesville, Newberry
Trenton	2,517	Chiefland
Newberry	2,797	Alachua, Archer, Gainesville, High Springs

The route with the highest calling rate in both the initial traffic study and the second traffic study was the Newberry to Trenton route. In the initial study, the calling rate was 4.09 M/M/Ms, with 21.31% of the customers making two or more calls per month. The pocket study revealed calling rates from the Gilchrist County pocket of the Newberry exchange to the Trenton exchange of 5.44 M/M/Ms, with 49.67% of the customers making two or more calls per month. Toll relief was recently provided for this route. By Order No. 23200, in Docket No. 880069-TL, we ordered Southern Bell to implement its Enhanced Optional EAS (EOEAS) plan on this route. The company was ordered to implement EOEAS at the following rates effective June 20, 1990:

RESIDENCE OPTIONS

Premium (Option 2)	\$ 4.70
Discount (Option 3)	2.20
Incoming (Option 5)	4.95
Drop-Back (Option 4)	8.40

BUSINESS OPTIONS

Discount (Option 3)	\$ 4.40
Incoming (Option 5)	10.80
Drop-Back (Option 4)	22.90

ORDER NO. 23856
DOCKET NO. 870790-TL
PAGE 7

ESSX/PBX TRUNK OPTIONS

Discount (Option 3)	\$ 6.80
Incoming (Option 5)	16.20

The pocket studies showed calling rates from the Gilchrist County pocket of the Branford exchange to the Tranton exchange that met the rule requirement for M/M/Ms, but was far below the requirement for percentage of customers making two or more calls per month. Under some circumstances in the past, we have ordered implementation of Toll-Pac on such routes. In this instance, however, we do not believe such action is appropriate because this is an interLATA route and such routes have been deemed competitive since divestiture. The situation on this route is further complicated by the existence of a step-by-step switch in the Branford exchange; therefore, any type of discounted toll plan would have to be manually implemented through the billing system. It is our understanding that ALLTEL plans to convert this switch by December, 1991. The pocket studies revealed that for the rest of the routes, both interLATA and intraLATA, calling rates were very low. Accordingly, we announce our intention to deny further consideration of EAS in this docket.

In addition, we shall deny the Motion filed by Gilchrist County. As detailed at length above, none of the non-EAS routes meet the threshold of Rule 25-4.060. Accordingly, there is no factual or legal basis for granting the relief requested in the Draft Order.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the resolution filed by the Gilchrist County Board of County Commissioners requesting extended area service between all Gilchrist County exchanges is hereby denied for the reasons set forth herein. It is further

ORDERED that the Motion Requesting Issuance of Proposed Agency Action Order filed September 7, 1989, by Gilchrist County is hereby denied for the reasons set forth herein. 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

ORDER NO. 23856
DOCKET NO. 870790-TL
PAGE 8

proper protest to this proposed agency action is filed within the time frame set forth below. It is further

ORDERED that if no proper protest is filed within the time frame set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 10th day of DECEMBER, 1980.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

ABC

by Kay Hizon
Chief, Bureau of Records

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

Exhibit REP-6
Docket No. 950699-TL

GULF COUNTY ECS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for countywide extended)
area service by the Board of County)
Commissioners of Gulf County)

DOCKET NO. 910122-TL
ORDER NO. 25352
ISSUED: 11/15/91

The following Commissioners participated in the disposition of this matter:

- THOMAS M. BEARD, Chairman
- SUSAN F. CLARK
- J. TERRY DEASON
- BETTY EASLEY
- MICHAEL McK. WILSON

NOTICE OF PROPOSED AGENCY ACTION
ORDER DENYING REQUEST FOR EXTENDED AREA SERVICE
AND REQUIRING IMPLEMENTATION OF ALTERNATIVE 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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

This docket was initiated pursuant to a resolution filed with this Commission by the Gulf County Board of County Commissioners. The resolution requested that we consider requiring implementation of extended area service (EAS) between all exchanges in Gulf County. Three exchanges are affected by this request: Port St. Joe, The Beaches, and Wewahitchka. These exchanges are served by St. Joseph Telephone and Telegraph Company (St. Joe or the Company) which is subject to regulation by this Commission pursuant to Chapter 364, Florida Statutes.

Each of the involved exchanges currently has EAS as follows:

<u>EXCHANGE</u>	<u>ACCESS LINES</u>	<u>EAS CALLING SCOPE</u>
Port St. Joe	3,344	The Beaches
The Beaches	1,851	Port St. Joe
Wewahitchka	1,671	None

By Order No. 2424i, issued March 14, 1991, St. Joe 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.

ORDER NO. 25352
DOCKET NO. 910122-TL
PAGE 2

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.

The results of the traffic studies indicate that the one-way calling rates on the affected routes are as follows:

<u>ROUTE</u>	<u>M/M/M</u>	<u>% OF CUSTOMERS MAKING 2 OR MORE CALLS</u>
Port St. Joe to Wewahitchka	1.39	18%
Wewahitchka to Port St. Joe	3.39	39%
The Beaches to Wewahitchka	.82	12%
Wewahitchka to The Beaches	.29	4%

Rule 25-4.060(2) requires a two-way calling rate of 2.00 M/Ms, with at least fifty percent (50%) of the exchange subscribers making calls each month to indicate a sufficient community of interest to warrant further study of the feasibility of implementing nonoptional EAS. Alternatively, a one-way calling rate of at least 3.00 M/M/Ms, with at least fifty percent (50%) of the exchange subscribers making two (2) or more calls per month is adequate if the petitioning exchange is less than half the size of the exchange to which EAS is sought. The results of the traffic studies revealed no routes that meet or exceed these threshold requirements. Accordingly, we shall deny any further consideration of nonoptional, flat rate, two-way EAS along the above routes.

In several recent dockets we have ordered an alternative to additional EAS known as the \$.25 plan. This plan has gained favor for several reasons, including its simplicity, its message rate structure, and the fact that it can be implemented as a local calling plan on an interLATA basis. Optional EAS plans, particularly OEAS plans, are somewhat confusing to customers; the additives or buy-ins are generally rather high; and the take rates for most OEAS plans have been rather low. We have also expressed

our concern that where Toll-Pac is implemented, a three minute message still has a substantial cost to the customer. In addition, the \$.25 plan (which converts the traffic to local status, and is implemented on a seven digit basis) is feasible for interLATA routes, whereas most other usage sensitive alternatives to EAS are feasible only for intraLATA routes. Although none of the routes currently under consideration in this docket are interLATA routes, this factor has been an important one in the development of the \$.25 plan.

Upon consideration, we hereby propose requiring St. Joe to implement the alternative toll plan known as the \$.25 plan between Port St. Joe and Wewahitchka and between The Beaches and Wewahitchka. Calls between these exchanges shall be rated at \$.25 per call, regardless of call duration. These calls shall be furnished on a seven digit basis and shall be reclassified as local for all purposes. These calls shall be handled by pay telephone providers in the same way and at the same price to end users as any other local call. Customers may make an unlimited number of calls at \$.25 per call. Affected customers shall be provided with appropriate directory listings. St. Joe shall implement this plan within six (6) months of the date this Order becomes final.

We recognize that there is an economic impact to St. Joe as a result of our proposed calling plan. Based upon the traffic study data provided in this docket, the total toll revenue for intracounty toll calls for the month of the traffic study is \$11,040. Annualized, this amounts to \$132,480 in lost toll revenue. Based upon the number of messages shown in the traffic study data, implementation of the \$.25 plan would yield \$2,901 in monthly revenue. Annualized, the \$.25 plan would yield \$34,812 in revenue, resulting in an annual revenue loss of \$97,668. A loss of this magnitude would represent a 0.73% reduction in return on equity for St. Joe, which we do not see as significant, given St. Joe's present healthy earnings position. It should be noted that these figures do not include any stimulation. Although stimulation levels can be difficult, even impossible to predict, if the number of calls on these routes were to little more than double, the projected revenue loss would be negated. Accordingly, we find it appropriate to waive Rule 25-4.062(4), Florida Administrative Code, which provides for full recovery of costs where the qualification for EAS is dependent upon calling levels and subscriber approval of the petitioning exchange, to the extent that this rule arguably applies in this context.

ORDER NO. 25352
DOCKET NO. 910122-TL
PAGE 4

Finally, following implementation of the calling plan, St. Joe shall file quarterly reports with our staff, broken down on a monthly basis. These reports shall include a detailed analysis of the distribution of calling usage among subscribers, over each route, segregated between business and residential users and combined, showing for each category the number of customers making zero (0) calls, one (1) call, et cetera, through twenty-five (25) calls, and in ten (10) call increments thereafter, to ninety-five (95) calls, and ninety-six (96) or more calls. These reports on usage shall be filed for a one year period following implementation. These usage reports shall also include a record of every customer contact, along with the reason for such contact, regarding the \$.25 calling plan.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the resolution filed with this Commission by the Gulf County Board of County Commissioners is hereby approved to the extent outlined herein. It is further

ORDERED that if no proper protest is filed within the time frame set forth below, St. Joseph Telephone and Telegraph Company shall, within six months of the date of this Order becomes final, implement an alternative toll plan that complies with the terms and conditions set forth in the body of this Order. It is further

ORDERED that Rule 25-4.062(4), Florida Administrative Code, been waived for the reasons discussed in the body of this order. It is further

ORDERED that St. Joseph Telephone and Telegraph Company shall file certain reports as set forth herein. It is further

ORDERED that our proposed action shall become final and this docket shall be closed following expiration of the protest period specified below, if no proper protest to our proposed agency action is filed in accordance with the requirements set forth below.

By ORDER of the Florida Public Service Commission, this 15th
day of NOVEMBER, 1991.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

by: Kay Simpson
Chief, Bureau of Records

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 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 12/6/91.

Exhibit REP-7
Docket No. 950699-TL

BRADFORD COUNTY ECS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Resolution by Bradford County Commission requesting extended area service within Bradford County and between Bradford County, Union County and Gainesville	)	DOCKET NO. 910022-TL
	)	ORDER NO. 25566
	)	ISSUED: 1/6/92

The following Commissioners participated in the disposition of this matter:

- THOMAS M. BEARD, Chairman
- SUSAN F. CLARK
- J. TERRY DEASON
- BETTY EASLEY

NOTICE OF PROPOSED AGENCY ACTION
ORDER DENYING REQUEST FOR EXTENDED AREA SERVICE
AND REQUIRING IMPLEMENTATION OF ALTERNATIVE 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 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 a resolution filed with this Commission by the Bradford County Board of County Commissioners. The resolution requested that we consider requiring implementation of extended area service (EAS) between all exchanges in Bradford County, between Bradford County and Union County, and between Bradford County and Gainesville. Bradford County contains all or part of the Brooker, Keystone Heights, Lawtey, Melrose, Starke, and Waldo exchanges. Union County consists of the Lake Butler and Raiford exchanges, as well as a very small portion of the Lake City exchange. Gainesville is located in Alachua County.

By Order No. 24208, issued March 8, 1991, we directed ALLTEL Florida, Inc. (ALLTEL), Central Telephone Company of Florida (Centel), and Southern Bell Telephone and Telegraph Company (Southern Bell) to perform traffic studies between these exchanges to determine whether a sufficient community of interest exists, pursuant to Rule 25-4.060, Florida Administrative Code. ALLTEL serves the Brooker, Lake Butler, Melrose, Raiford, and Waldo

exchanges, while Centel serves the Lawtey and Starke exchanges, and Southern Bell serves the Gainesville, Keystone Heights and Lake City exchanges. In addition to involving intercompany routes, this request also involves interLATA (local access transport area) routes. The Brooker, Gainesville, Keystone Heights, Melrose, and Waldo exchanges are located in the Gainesville LATA, while the Lake Butler, Lake City, Lawtey, Raiford, and Starke exchanges are located in the Jacksonville LATA. The companies were to prepare and submit the traffic studies to us within sixty (60) days of the issuance date of Order No. 24208, making the studies due by May 7, 1991.

On May 7, 1991, ALLTEL filed a Motion for Extension of Time requesting an extension through and including June 28, 1991, in which to prepare and submit the required traffic studies. As grounds for its request, ALLTEL cited the complexities inherent in interLATA traffic studies in general, as well as the particular complexities here, where numerous routes and multiple companies are involved. On May 9, 1991, Southern Bell filed a similar motion. By Order No. 24537, issued May 15, 1991, we granted ALLTEL the requested extension of time through June 28, 1991. By Order No. 24538, also issued May 15, 1991, we granted Southern Bell's requested extension through June 6, 1991.

Subsequently, all three companies filed the required traffic studies in response to Order No. 22567. On June 6, 1991, Southern Bell filed a request for confidential treatment of certain portions of its traffic study data. Southern Bell requested specified confidential treatment of only that data which represented a quantification of traffic along interLATA routes. By Order No. 24685, issued June 20, 1991, we granted Southern Bell's request. A similar request for specified confidential treatment was filed by ALLTEL on June 28, 1991. By Order No. 24754, issued July 3, 1991, we granted ALLTEL's request.

Each of the involved exchanges currently has EAS as follows:

Exchange	Access Lines	EAS Calling Scope
Brooker	924	Alachua, Gainesville, Waldo, (Starke)*

Exchange	Access Lines	EAS Calling Scope
Gainesville	79,932	Alachua, Archer, Brooker, Hawthorne, High Springs, Lake Butler, Melrose, Micanopy, Newberry, Waldo, (Keystone Heights)*
Keystone Heights	4,577	Melrose, Starke, Florahome (661), (Gainesville)*
Lake Butler	2,021	Alachua, Gainesville, Raiford
Lawtey	962	Kingsley Lake, Raiford, Starke
Melrose	2,499	Gainesville, Hawthorne, Keystone Heights, Waldo
Raiford	462	Kingsley Lake, Lake Butler, Lawtey, Starke
Starke	5,463	Keystone Heights, Kingsley Lake, Lawtey, Raiford
Waldo	1,484	Brooker, Gainesville, Melrose

*Optional EAS Plans

Current basic local service rates for the exchanges involved in this EAS request are shown below:

Raiford (ALLTEL)

R-1 \$ 9.35
 B-1 23.40
 PBX 44.55

Brooker, Melrose, and Waldo (ALLTEL)

R-1 \$ 9.95
 B-1 24.70
 PBX 47.20

Lake Butler (ALLTEL)

R-1	\$12.15
B-1	30.65
PBX	60.60

Lawtey (Centel)

R-1	\$ 6.90
B-1	15.55
PBX	31.05

Starke (Centel)

R-1	\$ 7.30
B-1	16.45
PBX	32.85

Keystone Heights (Southern Bell)

R-1	\$ 8.10
B-1	21.90
PBX	49.39

Gainesville (Southern Bell)

R-1	\$ 8.80
B-1	23.85
PBX	53.68

DISCUSSION

By Order No. 24208, the companies were directed to conduct traffic studies on the exchanges affected by the resolution to determine if a sufficient community of interest existed pursuant to Rule 25-4.010. For these studies, we requested that the companies measure the messages per main and equivalent main station per month (M/M/M) and percentage of subscribers making one (1) and two (2) or more calls monthly to the exchanges for which EAS was proposed.

A large number of the routes under consideration in this docket are interLATA routes. The actual results of the traffic studies for these particular routes were granted confidential

ORDER NO. 25566
DOCKET NO. 910022-TL
PAGE 5

treatment by Orders Nos. 24685 and 24754. We can report, however, that none of the routes under consideration met the threshold of Rule 25-4.060(2). That Rule requires a two-way calling rate of two (2) M/M/Ms or higher, with at least fifty percent (50%) of the exchange subscribers making one (1) or more calls per month. Alternately, a one-way calling rate of three (3) M/M/Ms or higher, with at least fifty percent (50%) of the exchange subscribers making two (2) or more calls per month is sufficient, if the petitioning exchange is less than half the size of the exchange to which EAS is sought. Since none of the routes exhibited calling rates that met these levels, we shall deny any further consideration of nonoptional, flat rate, two-way EAS along the above routes.

Upon consideration, we hereby propose requiring ALLTEL, Centel, and Southern Bell to implement the alternative toll plan known as the \$.25 plan on the following routes (between these exchanges): Brooker to Starke; Keystone Heights to Gainesville; Keystone Heights to Waldo; Lake Butler to Lake City; Lake Butler to Starke; Lawtey to Brooker; Lawtey to Gainesville; Lawtey to Waldo; Raiford to Gainesville; Starke to Gainesville; and Waldo to Starke. Calls between these exchanges shall be rated at \$.25 per call, regardless of call duration. These calls shall be furnished on a seven-digit basis and shall be reclassified as local for all purposes. These calls shall be handled by pay telephone providers in the same way and at the same price to end users as any other local call. Customers may make an unlimited number of calls at \$.25 per call. Affected customers shall be provided with appropriate directory listings.

The companies shall implement this plan within six (6) months of the date this Order becomes final. Southern Bell shall immediately begin seeking a waiver of the Modified Final Judgment to allow it to carry traffic on the affected routes. The premium flat rate option currently available under the enhanced optional EAS (EOEAS) plan shall be continued on the Keystone Heights to Gainesville route. Terminating access charges shall not be paid or collected on routes where the \$.25 plan is implemented, since such routes are considered local.

In reaching this decision, we considered those routes with calling volumes that would qualify for traditional EAS, but with the percentage of customers making two or more calls below the threshold of the Rule. We have also included those routes which

ORDER NO. 25506
DOCKET NO. 910022-TL
PAGE 6

would be "leapfrogged" by our proposal. The calling rates on the remaining routes are relatively small. By our action herein, every Bradford County exchange will have calling to Starke, the county seat. Unlike the more rural counties where countywide EAS has been implemented (or ordered), Bradford County is relatively close to a city which offers educational facilities, major medical services, shopping, etc. In addition, every Bradford County exchange will have calling to the largest city in North Central Florida, Gainesville.

In cases where calling rates and community of interest considerations were not sufficient to justify traditional EAS, we have considered various optional toll discount plans. The specific plan offered is generally dependent upon the traffic volumes on the routes under consideration. In cases where traffic volumes are extremely low, or where community of interest factors are insufficient, we have sometimes rejected any toll alternative whatsoever.

The \$.25 plan has gained favor for several reasons. Among them are its simplicity, its message rate structure, and the fact that it can be implemented as a local calling plan on an interLATA basis. Optional EAS plans, particularly OEAS plans, are somewhat confusing to customers, the additives or buy-ins are generally rather high, and the take rates for most OEAS plans are rather low. We have also expressed our concern that when Toll-PAC is implemented, a three minute message will still have a substantial cost to the customer. For example, in the peak period a three minute message from Starke to Gainesville would only be reduced from \$.70 to \$.49 (based on ATT-C rates). However, a more important reason in this particular instance is that the \$.25 plan (which converts the traffic to local status, and is implemented on a seven-digit basis) is feasible for interLATA routes, whereas most other usage sensitive alternatives to EAS are feasible only for intralATA routes.

We recognize that there is an economic impact to ALLTEL, Centel, and Southern Bell as a result of our proposed calling plan. However, if the \$.25 plan is compared with traditional EAS, it is clear that the impact of the \$.25 plan is not as great as flat rate EAS. In fact, the \$.25 plan offers the opportunity for additional revenue if there is sufficient stimulation. Although stimulation levels can be difficult, even impossible to predict, initial reports concerning the \$.25 plan in other areas of the state show

that the number of calls can increase dramatically. While the demographics of these areas may differ, we do believe that some stimulation is inevitable. Accordingly, we find it appropriate to waive Rule 25-4.062(4), Florida Administrative Code, which provides for full recovery of costs where the qualification for EAS is dependent upon calling levels and subscriber approval of the petitioning exchange, to the extent that this rule arguable applies in this context. In addition, we shall approve Southern Bell's request that any revenue reduction be applied to its EAS offset amount, to the extent that there is any actual revenue reduction after stimulation.

We also find it appropriate to waive Rule 25-4.061, Florida Administrative Code. Because the community of interest factors are sufficient to warrant implementation of an alternative to toll rates and the toll relief plan being authorized does not consider costs to set rates, we do not believe it is necessary to require the companies to conduct cost studies on these routes.

Finally, following implementation of the calling plan, the companies shall file quarterly reports with our staff, broken down on a monthly basis. These reports shall include a detailed analysis of the distribution of calling usage among subscribers, over each route, segregated between business and residential users and combined, showing for each category the number of customers making zero (0) calls, one (1) call, et cetera, through twenty-five (25) calls, and in ten (10) call increments thereafter, to ninety-five (95) calls, and ninety-six (96) or more calls. These reports on usage shall be filed for a one year period following implementation. These usage reports shall also include a record of any customer contact, along with the reason for such contact, regarding the \$.25 calling plan.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the resolution filed with this Commission by the Bradford County Board of County Commissioners is hereby approved to the extent outlined herein. It is further

ORDERED that if no proper protest is filed within the time frame set forth below, ALLTEL Florida, Inc., Central Telephone Company of Florida, and Southern Bell Telephone and Telegraph Company shall, within six months of the date of this Order becomes

final, implement an alternative toll plan that complies with the terms and conditions set forth in the body of this Order. It is further

ORDERED that Southern Bell Telephone and Telegraph Company shall seek a waiver of the Modified Final Judgment as set forth herein. It is further

ORDERED that certain rules as described herein have been waived for the reasons set forth in the body of this Order. It is further

ORDERED that ALLTEL Florida, Inc., Central Telephone Company of Florida, and Southern Bell Telephone and Telegraph Company shall file certain reports as set forth herein. It is further

ORDERED that our proposed action shall become final and this docket shall be closed following expiration of the protest period specified below, if no proper protest to our proposed agency action is filed in accordance with the requirements set forth below.

By ORDER of the Florida Public Service Commission, this
6th day of JANUARY, 1992.


STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

ABG

Exhibit REP-8
Docket No. 950699-TL

GLENDAL/PAXTON ECS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Modified Minimum Filing Requirements Report of FLORALA TELEPHONE COMPANY.	) DOCKET NO. 910729-TL
)
)
In re: Request for extended area service between the Glendale and Paxton exchanges by Walton County Commission.	) DOCKET NO. 911187-TL
	) ORDER NO. 25693
	) ISSUED: 02/05/92

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
 SUSAN F. CLARK
 J. TERRY DEASON
 BETTY EASLEY

NOTICE OF PROPOSED AGENCY ACTION
ORDER REGARDING FLORALA TELEPHONE COMPANY'S
MMFRS AND REQUIRING IMPLEMENTATION OF AN
ALTERNATIVE EAS PLAN BETWEEN THE GLENDALE AND
PAXTON EXCHANGES BY FLORALA TELEPHONE COMPANY
AND CENTRAL TELEPHONE COMPANY OF FLORIDA.

BY THE COMMISSION:

On July 31, 1991, Florala Telephone Company (Florala or the Company) filed Modified Minimum Filing Requirements (MMFRs) for the 12 months ending December 31, 1990. Our staff conducted an audit of the MMFRs and issued its report on November 6, 1991.

I. 1990 EARNINGS

The Company's currently authorized range of return on equity (ROE) is 11.9% to 13.9% with a midpoint of 12.9%. This was established by Order No. 22261, issued December 4, 1989, in Docket No. 891233-TL. The Company's Earnings Surveillance Report (ESR) and the MMFRs indicate that its achieved ROE was 8.64% for the year ending December 31, 1990. Upon review of the audit report, it appears that the Company did not overearn in 1990. Based on the audit, the calculated average of the Company's achieved ROE for 1990 was 10.64%. The ROE was calculated using Florala's financial statements and a revised final 1990 Cost Study which was filed with us on July 3, 1991. The differences in ROE between the audit and the ESR are attributable to: the jurisdictional separations factors; the changes in allocation method for Universal Service Fund (USF) revenue; the changes in allocation method for the general support assets; and the prior period revenue adjustment.

At the time of filing the MMFRs and the ESR, the 1990 Cost Study had not been completed, thus Florala had used the estimated

DOCUMENT NUMBER-DATE

01325 FEB -5 1992

ORDER NO. 25693
DOCKETS NOS. 910729-TL & 911187-TL
PAGE 9

through a bill stuffer within 30 days of the effective date of this order.

The elimination of Touchtone leaves \$55,842 for further reductions (53,588 overearnings + 4,919 unbundled gross receipts tax - 2,665 eliminate Touchtone charges). There are three general areas which we find to be appropriate for these reductions: EAS; MTS; and Access Charges.

We recently received a request for toll relief from the Walton County Board of Commissioners on the Glendale to Paxton route. Docket No. 911187-TL was established to review the request. In our investigation in this docket, a traffic study of the Paxton to Glendale route indicates that approximately 17% of the Paxton customers make two or more calls. The M/M/Ms on this route are 1.23. This falls short of the requirement for 3 M/M/Ms and at least 50% of the subscribers making 2 or more calls for flat rate toll free calling. Thus, we will not require the Company to survey the affected customers.

We are currently considering rulemaking on county-wide EAS and have previously approved similar intra-county routes. In addition, we have previously ordered Centel to provide county-wide calling within Walton County for all Centel exchanges. This was done in the context of the Centel Rate Case - Docket No. 891246-TL. No action was taken at that time concerning the Paxton exchange because of the potential revenue impact on Florida. Paxton presently has local flat rate calling to the DeFuniak Springs exchange (the county seat). With the approval of \$.25 local calling to Glendale, the Paxton exchange will have local calling to all contiguous exchanges.

Therefore, we find it appropriate that the \$.25 Plan be implemented on the Paxton to Glendale route. This, in combination with the reduction of toll rates discussed below, will result in a decrease of approximately \$4,500 in revenue if no stimulation is taken into account. If we assume 100% stimulation the impact is reduced to less than \$236. We only address the impact to Florida due to the reduced toll rates on traffic from Paxton to Glendale. As discussed below, we shall require Centel to implement a modified \$.25 plan on the Glendale to Paxton route. Thus, Florida shall treat the revenue from the Paxton to Glendale route as local revenue, and no terminating access charge will apply. Furthermore, all calls on this route will be considered local traffic and shall be provided on a seven digit dialed basis.

With the implementation of the \$.25 Plan on the Paxton to Glendale route and the toll rate reductions, revenues will be

IX. DOCKETS TO BE CLOSED

We have reviewed Florida Telephone Company's earnings for the 12 months ending December 31, 1990, the test year in the Modified Minimum Filing Requirements docket, as well as the Company's projected earnings for 1991 and 1992. The Company did not earn in excess of its authorized ROE ceiling in the 1990 test year, and this Order resolves issues surrounding the 1991 and 1992 earnings. Therefore, Docket No. 910729 shall be closed at the expiration of the Proposed Agency Action (PAA) period if no timely protest is filed.

Additionally, Docket No. 911187-TL, requesting toll relief on the Paxton and Glendale route shall be closed at the expiration of the PAA period, if no timely protest is filed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that each and every finding set forth herein is approved in every respect. It is further

ORDERED that Florida Telephone Company did not earn in excess of its maximum authorized ROE of 13.9% for 1990. It is further

ORDERED that we shall take no action regarding Florida Telephone Company's 1991 earnings at this time. It is further

ORDERED that the Commission shall adjust the utility's equity ratio to 45% of investor sources for ratemaking purposes. It is further

ORDERED that on a prospective basis, the appropriate return on equity is 12.8% plus or minus 100 basis points. It is further

ORDERED that the projected excess earnings of \$53,588 and \$4,919 of gross receipts tax shall be disposed of by reducing rates as set forth in the body of this Order. It is further

ORDERED that tariffs shall be filed by January 28, 1992 to become effective March 2, 1992. The Company shall advise customers of the rate reductions and availability of Touchtone at no additional charge through a bill stuffer. It is further

ORDERED that Centel shall implement the modified \$.25 Plan, \$.20 per message, on the Glendale to Paxton route. It is further

ORDER NO. 25693
DOCKETS NOS. 910729-TL & 911187-TL
PAGE 14

ORDERED that Centel shall file a tariff to implement the
aforementioned plan by March 2, 1992. It is further

ORDERED that this MMFR docket shall be treated as the most
recent rate case for all purposes. It is further

ORDERED that Dockets Nos. 910729-TL and 911187-TL, shall be
closed at the expiration of the Proposed Agency Action period if no
protest is timely filed.

By ORDER of the Florida Public Service Commission, this 5th
day of FEBRUARY, 1992.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

CWM

Chairman Beard dissented regarding the disposition of the \$53,588
in revenues which the Company is required to reduce.

Exhibit REP-9
Docket No. 950699-TL

PUTNAM COUNTY ECS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by PUTNAM COUNTY BOARD OF COUNTY COMMISSIONERS for extended area service between the Crescent City, Hawthorne, Orange Springs, and Melrose exchanges, and the Palatka exchange.	)	DOCKET NO. 910528-TL
)	
In re: Petitions of SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY for rate stabilization and implementation orders and other relief.	)	DOCKET NO. 880069-TL
	)	ORDER NO. 25772
	)	ISSUED: 02/24/92

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
SUSAN P. CLARK
J. TERRY DEASON
BETTY EASLEY
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION
ORDER DENYING REQUEST FOR EXTENDED AREA SERVICE
AND REQUIRING IMPLEMENTATION OF ALTERNATIVE 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 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. 91-38 filed with this Commission by the Putnam County Board of County Commissioners. The resolution requested that we consider requiring implementation of extended area service (EAS) between the Crescent City, Hawthorne, Orange Springs, and Melrose exchanges, and the Palatka exchange. These exchanges are served by ALLTEL Florida, Inc. (ALLTEL) and Southern Bell Telephone and Telegraph Company (Southern Bell).

By Order No. 24717, issued June 26, 1991, we directed ALLTEL and Southern Bell to perform traffic studies on the affected routes

DOCUMENT NUMBER-DATE

01864 FEB 24 1992

ORDER NO. 25772
DOCKETS NOS. 910528-TL & 880069-TL
PAGE 2

to determine whether a sufficient community of interest exists, pursuant to Rule 25-4.060, Florida Administrative Code. In order to properly evaluate the EAS request, we required the companies to perform traffic studies between the Palatka exchange and the Crescent City, Hawthorne, Keystone Heights, Melrose, and Orange Springs exchanges (with separate studies for the Putnam County pocket areas of the Hawthorne, Keystone Heights, Melrose, and Orange Springs exchanges). In addition, because of the potential for "leapfrogging," traffic studies were also required between the Interlachen exchange and the Hawthorne and Melrose exchanges, and between the Crescent City exchange and the Pomona Park and Welaka exchanges. ALLTEL serves the Crescent City, Interlachen, Melrose, and Orange Springs exchanges, while Southern Bell serves the Hawthorne, Keystone Heights, Palatka, Pomona Park, and Welaka exchanges. Each of these exchanges is located either wholly or partially within Putnam County.

In addition to involving intercompany routes, this request also involves interLATA (local access transport area) routes. The Crescent City, Interlachen, Palatka, Pomona Park, and Welaka exchanges are located in the Jacksonville LATA, while the Hawthorne, Keystone Heights, Melrose, and Orange Springs exchanges are located in the Gainesville LATA. The companies were to prepare and submit the traffic studies to us within sixty (60) days of the issuance date of Order No. 24717, making the studies due by August 26, 1991.

On August 9, 1991, Southern Bell filed a Motion for Extension of Time requesting an extension through and including September 24, 1991, in which to prepare and submit the required studies. As grounds for its request, Southern Bell cited the complexities inherent in interLATA traffic studies in general, as well as the particular complexities here, where numerous routes and pocket areas are involved. On August 14, 1991, ALLTEL filed a similar motion. By Order No. 24982, issued August 27, 1991, we granted both of these requests.

Subsequently, both companies filed the requested traffic study data, along with Requests for Specified Confidential Classification of certain portions of the traffic study data. Southern Bell made its filing on September 24, 1991, and ALLTEL made its filing on September 27, 1991. Each of the companies requested specified confidential treatment of only that data which represented a quantification of traffic along interLATA routes. By Order No. 25268, issued October 29, 1991, we granted both of these requests.

ORDER NO. 25772
 DOCKETS NOS. 910528-TL & 880069-TL
 PAGE 3

Each of the involved exchanges currently has EAS as follows:

<u>EXCHANGE</u>	<u>ACCESS LINES</u>	<u>EAS CALLING SCOPE</u>
Crescent City	1,978	Palatka*, Pierson, Pomona Park, Welaka
Hawthorne	2,917	Gainesville, Melrose, Micanopy
Interlachen	1,209	Florahome, Palatka
Keystone Heights	4,577	Florahome (661), Gainesville*, Melrose, Starke
Melrose	2,499	Gainesville, Hawthorne, Keystone Heights, Wal'o
Orange Springs	1,407	Belleview, Citra, Forest, McIntosh, Ocala, Oklawaha, Salt Springs, Silver Springs Shores
Palatka	1,241	Crescent City*, Florahome, Hastings, Interlachen, Pomona Park, Welaka
Pomona Park	2,501	Crescent City, Palatka, Welaka
Welaka	2,074	Crescent City, Palatka, Pomona Park

*Optional Calling Plan

Current basic local service rates for the exchanges involved in this EAS request are shown below:

Crescent City (ALLTEL)

R-1	\$ 9.35
B-1	23.40
PBX	44.55

Interlachen (ALLTEL)

R-1	\$ 9.60
B-1	24.10
PBX	45.85

Melrose and Orange Springs (ALLTEL)

R-1	\$ 9.95
B-1	24.70
PBX	47.20

ORDER NO. 25772
DOCKETS NOS. 910528-TL & 880069-TL
PAGE 4

Keystone Heights, Pomona Park,
and Welaka (Southern Bell)

R-1	\$ 8.10
B-1	21.90
PBX	49.39

Palatka (Southern Bell)

R-1	\$ 8.40
B-1	22.90
PBX	51.59

Hawthorne (Southern Bell)

R-1	\$ 8.80
B-1	23.85
PBX	53.68

DISCUSSION

By Order No. 24717, the companies were 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. For these studies, we requested that the companies measure the messages per main and equivalent main station per month (M/M/M) and percentage of subscribers making one (1) and two (2) or more calls monthly to the exchanges for which EAS was proposed.

A large number of the routes under consideration in this docket are interLATA routes. The actual results of the traffic studies for these particular routes were granted confidential treatment by Order No. 25268. We can report, however, that none of the routes under consideration met the threshold of Rule 25-4.060(2). That Rule requires a two-way calling rate of two (2) M/M/Ms or higher, with at least fifty percent (50%) of the exchange subscribers making one (1) or more calls per month. Alternately, a one-way calling rate of three (3) M/M/Ms or higher, with at least fifty percent (50%) of the exchange subscribers making two (2) or more calls per month is sufficient, if the petitioning exchange is less than half the size of the exchange to which EAS is sought. Since none of the routes exhibited calling rates that met these levels, we shall deny any further consideration of nonoptional, flat rate, two-way EAS along the above routes.

Upon consideration, we hereby propose requiring ALLTEL and Southern Bell to implement the alternative toll plan known as the

ORDER NO. 25772
DOCKETS NOS. 910528-TL & 880069-TL
PAGE 5

\$.25 plan on the following routes (between these exchanges): Crescent City to Palatka; Hawthorne to Interlachen; Hawthorne to Palatka; Interlachen to Orange Springs; Keystone Heights to Florahome; Keystone Heights to Interlachen; Keystone Heights to Palatka; Melrose to Interlachen; Melrose to Palatka; and Orange Springs to Palatka. Calls between these exchanges shall be rated at \$.25 per call, regardless of call duration. These calls shall be furnished on a seven-digit basis and shall be reclassified as local for all purposes. These calls shall be handled by pay telephone providers in the same way and at the same price to end users as any other local call. Customers may make an unlimited number of calls at \$.25 per call.

Because calls on these routes shall be local for all purposes, affected customers shall be provided with appropriate directory listings. However, implementation of the \$.25 plan shall not be delayed nor shall special directories be required. Rather, these listings shall be furnished to affected customers at the next regularly scheduled directory publishing and distribution date. We believe this interpretation of Rule 25-4.040(2), Florida Administrative Code, is reasonable, particularly since basic local rates do not increase under the \$.25 plan as they do with traditional flat rate EAS.

The companies shall implement this plan within six (6) months of the date this Order becomes final. Southern Bell shall immediately begin seeking a waiver of the Modified Final Judgment to allow it to carry traffic on the affected routes. The existing Toll-PAC plan on the Crescent City to Palatka route shall be discontinued simultaneously with implementation of the \$.25 plan. Terminating access charges shall not be paid or collected on routes where the \$.25 plan is implemented, since such routes are considered local.

In reaching this decision, we considered those routes with calling volumes that would qualify for traditional EAS, but with the percentage of customers making two or more calls below the threshold of the Rule. We have also included those routes which would be "leapfrogged" by our proposal. The calling rates on the remaining routes are relatively small. By our action herein, every Putnam County exchange will have calling to Palatka, the county seat. Unlike the more rural counties where countywide EAS has been implemented (or ordered), Putnam County is relatively close to a city which offers educational facilities, major medical services, shopping, etc. In addition, the exchanges in western Putnam County

ORDER NO. 25772
DOCKETS NOS. 910528-TL & 880069-TL
PAGE 6

already have calling to the largest city in North Central Florida, Gainesville.

In cases where calling rates and community of interest considerations were not sufficient to justify traditional EAS, we have considered various optional toll discount plans. The specific plan offered is generally dependent upon the traffic volumes on the routes under consideration. In cases where traffic volumes are extremely low, or where community of interest factors are insufficient, we have sometimes rejected any toll alternative whatsoever.

The \$.25 plan has gained favor for several reasons. Among these are its simplicity, its message rate structure, and the fact that it can be implemented as a local calling plan on an interLATA basis. Optional EAS plans, particularly OEAS plans, are somewhat confusing to customers, the additives or buy-ins are generally rather high, and the take rates for most OEAS plans are rather low. We have also expressed our concern that when Toll-PAC is implemented, a three minute message will still have a substantial cost to the customer. For example, in the peak period a three minute message from Hawthorne to Palatka, or Melrose to Palatka, would only be reduced from \$.70 to \$.49 (based on ATT-C rates). However, a more important reason in this particular instance is that the \$.25 plan (which converts the traffic to local status, and is implemented on a seven-digit basis) is feasible for interLATA routes, whereas most other usage sensitive alternatives to EAS are feasible only for intralATA routes.

We recognize that there is an economic impact to ALLTEL and Southern Bell as a result of our proposed calling plan. However, if the \$.25 plan is compared with traditional EAS, it is clear that the impact of the \$.25 plan is not as great as flat rate EAS. In fact, the \$.25 plan offers the opportunity for additional revenue if there is sufficient stimulation. Although stimulation levels can be difficult, even impossible to predict, initial reports concerning the \$.25 plan in other areas of the state show that the number of calls can increase dramatically. While the demographics of these areas may differ, we do believe that some stimulation is inevitable. Accordingly, we find it appropriate to waive Rule 25-4.062(4), Florida Administrative Code, which provides for full recovery of costs where the qualification for EAS is dependent upon calling levels and subscriber approval of the petitioning exchange, to the extent that this rule arguably applies in this context. We shall take stimulation into account to determine the actual revenue

ORDER NO. 25772
DOCKETS NOS. 910528-TL & 880069-TL
PAGE 7

impact to Southern Bell when applying this lost revenue to the EAS monies set aside in Docket No. 880069-TL. In addition, we shall approve Southern Bell's request to recognize any additional costs of implementation, other than lost revenue. Because we believe that the bulk of stimulation occurs within the first few months following implementation, we find six (6) months to be an appropriate length of time after which to consider stimulation for this purpose.

We also find it appropriate to waive Rule 25-4.061, Florida Administrative Code. Because the community of interest factors are sufficient to warrant implementation of an alternative to toll rates and the toll relief plan being authorized does not consider costs to set rates, we do not believe it is necessary to require the companies to conduct cost studies on these routes.

Finally, following implementation of the calling plan, the companies shall file quarterly reports with our staff, broken down on a monthly basis. These reports shall include a detailed analysis of the distribution of calling usage among subscribers, over each route, segregated between business and residential users and combined, showing for each category the number of customers making zero (0) calls, one (1) call, et cetera, through twenty-five (25) calls, and in ten (10) call increments thereafter, to ninety-five (95) calls, and ninety-six (96) or more calls. These reports on usage shall be filed for a one year period following implementation. These usage reports shall also include a record of any customer contact, along with the reason for such contact, regarding the \$.25 calling plan.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Resolution No. 91-38 filed with this Commission by the Putnam County Board of County Commissioners is hereby approved to the extent outlined herein. It is further

ORDERED that if no proper protest is filed within the time frame set forth below, ALLTEL Florida, Inc. and Southern Bell Telephone and Telegraph Company shall, within six months of the date of this Order becomes final, implement an alternative toll plan that complies with the terms and conditions set forth in the body of this Order. It is further

ORDER NO. 25772
DOCKETS NOS. 910528-TL & 880069-TL
PAGE 8

ORDERED that Southern Bell Telephone and Telegraph Company shall seek a waiver of the Modified Final Judgment as set forth herein. It is further

ORDERED that certain rules as described herein have been waived for the reasons set forth in the body of this Order. It is further

ORDERED that ALLTEL Florida, Inc. and Southern Bell Telephone and Telegraph Company shall file certain reports as set forth herein. It is further

ORDERED that any revenue impact, including additional costs, to Southern Bell Telephone and Telegraph Company shall be applied to the extended area service monies set aside in Docket No. 880069-TL, in accordance with the directives herein. It is further

ORDERED that our proposed action shall become final following expiration of the protest period specified below, if no proper protest to our proposed agency action is filed in accordance with the requirements set forth below. It is further

ORDERED that Docket No. 910528-TL shall remain open until Southern Bell Telephone and Telegraph Company has secured the necessary waiver, after which time the docket shall be closed administratively. It is further

ORDERED that Docket No. 880069-TL shall remain open.

By ORDER of the Florida Public Service Commission, this 24th day of FEBRUARY, 1992.


STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

ABG

Exhibit REP-10
Docket No. 950699-TL

ST. JOHNS COUNTY ECS

ORDER NO. PSC-93-0997-FOF-TL
DOCKET NO. 920667-TL
PAGE 2

By Order No. PSC-92-0871-PCO-TL, issued August 25, 1992, we directed Southern Bell to conduct traffic studies on these routes to determine whether a sufficient community of interest exists, pursuant to Rule 25-4.060, Florida Administrative Code.

By Order No. PSC-92-1461-CFO-TL, issued December 16, 1992, and amended December 23, 1992, we granted the Company's request for confidential treatment of its intraLATA traffic study. By Order No. PSC-93-0457-CFO-TL, issued March 25, 1993, we granted Southern Bell's request for confidential treatment of the remainder of the traffic studies.

Each of the involved exchanges currently has the following calling scope:

EXCHANGE	ACCESS LINES	EAS LINES	EAS CALLING SCOPE
Green Cove Springs	6,581	6,581	Orange Park ¹ , Julington ¹ , Jacksonville ¹ , Maxville ¹
Julington	2,871	381,568	Jacksonville, Orange Park
St. Augustine	20,568	25,750	Hastings, Jacksonville ² , Jacksonville Beach ³ , Julington ¹ , Ponte Vedra ³

- ¹ Local Exception Area - Optional
- Local Measured Service (Tier Calling)
- ² Enhanced Optional Extended Area Service (EOEAS)
- ³ \$.25 Plan

Current basic local service rates for the involved exchanges are shown below:

<u>Green Cove Springs</u>	
R-1	\$ 7.70
B-1	20.80
PBX	46.97

ORDER NO. PSC-93-0997-FOF-TL
 DOCKET NO. 920667-TL
 PAGE 3

<u>Julington</u>	
R-1	\$ 9.80
B-1	26.60
PBX	59.73

<u>St. Augustine</u>	
R-1	\$ 8.40
B-1	22.90
PBX	51.59

Rule 25-4.060(2) requires a calling rate of at least three messages per access line per month (M/A/Ms) in cases where the petitioning exchange contains less than half the number of access lines as the exchange to which EAS is desired. This Rule further requires that at least 50% of the subscribers in the petitioning exchange make two or more calls per month to the larger exchange to qualify for traditional EAS. None of the routes met these requirements. Therefore, we find it appropriate to deny any further consideration of nonoptional, flat rate, two-way EAS along these routes at this time.

The calling rates on the Green Cove Springs to St. Augustine and the Julington to St. Augustine routes exhibit one-way calling volumes which are consistent with calling volumes seen in other EAS requests from rural communities for calling to the county seat. Accordingly, we find it appropriate to require implementation of the \$.25 hybrid plan between the Green Cove Springs and St. Augustine exchanges and the Julington and St. Augustine exchanges. This action is consistent our decisions in other recent EAS dockets with rural areas that had similar calling rates. Examples include Franklin, Gulf, Jackson, Holmes, Okaloosa, Walton, Volusia, and Highlands counties.

The hybrid \$.25 plan has gained favor for several reasons. Among these are its simplicity, its message rate for residential customers, and the fact that it can be implemented as a local calling plan. In addition, the measured rates are preferred by business subscribers since business calls, on average, tend to be of short duration.

Southern Bell shall be required to implement the message rate plan of \$.25 per call for residential customers (regardless of call duration) on these routes. Calls by business customers shall be rated at \$.10 for the initial minute and \$.06 for each additional minute. These calls shall be furnished on a local, seven-digit

ORDER NO. PSC-93-0997-FOF-TL
DOCKET NO. 920667-TL
PAGE 4

diald basis and be available in both directions. NonLEC pay telephone providers shall charge end users \$.25 per call, the same as any local call, and shall pay the standard measured usage rate to the LEC. Southern Bell shall implement this calling plan on these routes within six months of the date this Order becomes final.

Following implementation, Southern Bell shall file quarterly reports with our staff, broken down on a monthly basis, for a period of one year. These reports shall include a detailed analysis of the distribution of usage among subscribers, over each route, segregated between business and residential users, showing the number of customers making zero calls, one call, et cetera, through 25 calls, and in ten call increments thereafter, to 95 calls, and 96 or more calls. For each calling rate category, separately for residence and business, the report shall also include the associated total messages, minutes, revenue, and lines. Finally, Southern Bell shall provide a sum across all calling rate categories, separately for residence and business, of the total messages, minutes, revenue, lines, and customers. These reports shall also include a record of any customer contact regarding the \$.25 hybrid plan, along with the reason for such contact.

Finally, once the \$.25 hybrid plan is implemented on these routes, the routes become local and no longer subject to competition. Accordingly, it will be unnecessary to maintain the confidentiality of these routes once the \$.25 plan is implemented.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Resolution No. 92-72 filed by the St. Johns County Board of County Commissioners is hereby denied to the extent outlined herein. It is further

ORDERED that if no proper protest is filed within the time frame set forth below, BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company shall, within six months of the date this Order becomes final, implement a calling plan that complies with the terms and conditions set forth in the body of this Order. It is further

ORDERED that the effective date of our actions described herein is the first working day following the date specified below,

ORDER NO. PSC-93-0997-POF-TL
DOCKET NO. 920667-TL
PAGE 5

if no proper protest to this proposed agency action is filed within the time frame set out below. It is further

ORDERED that the traffic study data contained in Commission Documents Nos. 12500-92 and 2128-93 shall no longer be considered confidential when this Order becomes final. It is further

ORDERED that BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company shall file certain reports as detailed herein. It is further

ORDERED that this docket shall be closed at the conclusion of the protest period if no protest has been filed.

By ORDER of the Florida Public Service Commission, this 7th day of July, 1993.



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 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

Exhibit REP-11
Docket No. 950699-TL

ST. AUGUSTINE/GREEN COVE SPRINGS ECS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request by St. Johns	)	DOCKET NO. 920667-TL
County Board of Commissioners	)	ORDER NO. PSC-93-0997-FOF-TL
for extended area service	)	ISSUED: 7/7/93
between the Green Cove Springs,)	
Julington, and St. Augustine)	
exchanges.)	

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
 SUSAN F. CLARK
 JULIA L. JOHNSON

NOTICE OF PROPOSED AGENCY ACTION
ORDER DENYING REQUEST FOR EXTENDED
AREA SERVICE, REQUIRING IMPLEMENTATION OF
HYBRID 5.25 PLAN, AND WITHDRAWING CONFIDENTIAL
TREATMENT OF DOCUMENTS NOS. 12500-92 AND 2128-93

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. 92-72, filed with this Commission by the St. Johns County Board of County Commissioners. The Resolution requested that we consider requiring implementation of extended area service (EAS) between the St. Augustine exchange and the Julington and Green Cove Springs exchanges. These exchanges are served by BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) and are all located within the Jacksonville LATA (local access transport area). The Julington and St. Augustine exchanges are located in St. Johns County, while the Green Cove Springs exchange is located primarily in Clay County, with approximately 509 access lines in St. Johns County.

RECEIVED
 10/1/93
 7-7-93

2 of 5

ORDER NO. PSC-93-0997-FOF-TL
DOCKET NO. 920667-TL
PAGE 2

By Order No. PSC-92-0871-PCO-TL, issued August 25, 1992, we directed Southern Bell to conduct traffic studies on these routes to determine whether a sufficient community of interest exists, pursuant to Rule 25-4.060, Florida Administrative Code.

By Order No. PSC-92-1461-CFO-TL, issued December 16, 1992, and amended December 23, 1992, we granted the Company's request for confidential treatment of its intraLATA traffic study. By Order No. PSC-93-0457-CFO-TL, issued March 25, 1993, we granted Southern Bell's request for confidential treatment of the remainder of the traffic studies.

Each of the involved exchanges currently has the following calling scope:

EXCHANGE	ACCESS LINES	EAS LINES	EAS CALLING SCOPE
Green Cove Springs	6,581	6,581	Orange Park ¹ , Julington ² , Jacksonville ¹ , Maxville ¹
Julington	2,871	381,568	Jacksonville, Orange Park
St. Augustine	20,568	25,750	Hastings, Jacksonville ² , Jacksonville Beach ¹ , Julington ² , Ponte Vedra ¹

- ¹ Local Exception Area - Optional
- ² Local Measured Service (Tier Calling)
- ³ Enhanced Optional Extended Area Service (EOEAS)
- ⁴ \$.25 Plan

Current basic local service rates for the involved exchanges are shown below:

<u>Green Cove Springs</u>	
R-1	\$ 7.70
B-1	20.80
PBX	46.91

3 of 5

ORDER NO. PSC-93-0997-FOF-TL
 DOCKET NO. 920667-TL
 PAGE 3

Julington
 R-1 \$ 9.80
 B-1 26.60
 PBX 59.73

St. Augustine
 R-1 \$ 8.40
 B-1 22.90
 PBX 51.59

Rule 25-4.060(2) requires a calling rate of at least three messages per access line per month (M/A/Ms) in cases where the petitioning exchange contains less than half the number of access lines as the exchange to which EAS is desired. This Rule further requires that at least 50% of the subscribers in the petitioning exchange make two or more calls per month to the larger exchange to qualify for traditional EAS. None of the routes met these requirements. Therefore, we find it appropriate to deny any further consideration of nonoptional, flat rate, two-way EAS along these routes at this time.

The calling rates on the Green Cove Springs to St. Augustine and the Julington to St. Augustine routes exhibit one-way calling volumes which are consistent with calling volumes seen in other EAS requests from rural communities for calling to the county seat. Accordingly, we find it appropriate to require implementation of the \$.25 hybrid plan between the Green Cove Springs and St. Augustine exchanges and the Julington and St. Augustine exchanges. This action is consistent our decisions in other recent EAS dockets with rural areas that had similar calling rates. Examples include Franklin, Gulf, Jackson, Holmes, Okaloosa, Walton, Volusia, and Highlands counties.

The hybrid \$.25 plan has gained favor for several reasons. Among these are its simplicity, its message rate for residential customers, and the fact that it can be implemented as a local calling plan. In addition, the measured rates are preferred by business subscribers since business calls, on average, tend to be of short duration.

Southern Bell shall be required to implement the message rate plan of \$.25 per call for residential customers (regardless of call duration) on these routes. Calls by business customers shall be rated at \$.10 for the initial minute and \$.06 for each additional minute. These calls shall be furnished on a local, seven-digit

4 of 5

ORDER NO. PSC-93-0997-FOF-TL
DOCKET NO. 920667-TL
PAGE 4

diald basis and be available in both directions. NonLEC pay telephone providers shall charge end users \$.25 per call, the same as any local call, and shall pay the standard measured usage rate to the LEC. Southern Bell shall implement this calling plan on these routes within six months of the date this Order becomes final.

Following implementation, Southern Bell shall file quarterly reports with our staff, broken down on a monthly basis, for a period of one year. These reports shall include a detailed analysis of the distribution of usage among subscribers, over each route, segregated between business and residential users, showing the number of customers making zero calls, one call, et cetera, through 25 calls, and in ten call increments thereafter, to 95 calls, and 96 or more calls. For each calling rate category, separately for residence and business, the report shall also include the associated total messages, minutes, revenue, and lines. Finally, Southern Bell shall provide a sum across all calling rate categories, separately for residence and business, of the total messages, minutes, revenue, lines, and customers. These reports shall also include a record of any customer contact regarding the \$.25 hybrid plan, along with the reason for such contact.

Finally, once the \$.25 hybrid plan is implemented on these routes, the routes become local and no longer subject to competition. Accordingly, it will be unnecessary to maintain the confidentiality of these routes once the \$.25 plan is implemented.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Resolution No. 92-72 filed by the St. Johns County Board of County Commissioners is hereby denied to the extent outlined herein. It is further

ORDERED that if no proper protest is filed within the time frame set forth below, BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company shall, within six months of the date this Order becomes final, implement a calling plan that complies with the terms and conditions set forth in the body of this Order. It is further

ORDERED that the effective date of our actions described herein is the first working day following the date specified below,

5 of 5

ORDER NO. PSC-93-0997-FOF-TL
DOCKET NO. 920667-TL
PAGE 5

if no proper protest to this proposed agency action is filed within the time frame set out below. It is further

ORDERED that the traffic study data contained in Commission Documents Nos. 12500-92 and 2128-93 shall no longer be considered confidential when this Order becomes final. It is further

ORDERED that BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company shall file certain reports as detailed herein. It is further

ORDERED that this docket shall be closed at the conclusion of the protest period if no protest has been filed.

By ORDER of the Florida Public Service Commission, this 7th day of July, 1993.



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 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

Exhibit REP-12
Docket No. 950699-TL

LEVY COUNTY ECS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Levy County) DOCKET NO. 920149-TL
 Board of County Commissioners) ORDER NO. PSC-92-1350-FOI-TL
 for extended area service between) ISSUED. 11/23/92
 Cedar Key, Bronson, and Chiefland)
 exchanges.)

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 DENYING FLAT-RATE EAS, IMPLEMENTING \$.25
PLAN BETWEEN CEDAR KEY AND BRONSON, AND
CEDAR KEY AND CHIEFLAND, AND TERMINATING
CONFIDENTIALITY OF TOLL DATA

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.

On February 7, 1992, the Levy County Board of County Commissioners filed a resolution requesting implementation of Extended Area Service (EAS) from the Cedar Key exchange to the Bronson and Chiefland exchanges. All of these exchanges are within Levy County, and all are served by BellSouth Communications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell).

On June 8, 1992, we issued Order No. PSC-92-0469-PCO-TL requiring Southern Bell to conduct traffic studies on these routes. On August 7, 1992, Southern Bell filed a Request for Confidential Treatment of its intraLATA traffic study. On September 16, 1992, we issued order No. PSC-92-0999-CFO-TL granting confidential status of Southern Bell's study.

Currently, Cedar Key (rate group 1) does not have any form of flat rate EAS. It does have Optional Extended Area Service (OEAS)

ORDER NO. PSC-92-1350-FOF-TL
DOCKET NO. 920149-TL
PAGE 2

to Chiefland. Chiefland (rate group 3) has EAS to Bronson and Trenton and OEAS to Cedar Key. The Bronson exchange (rate group 3) has EAS to Archer, Chiefland and Williston and OEAS to Gainesville.

The Cedar Key/Chiefland route exhibits one-way calling volumes which would qualify for traditional EAS under our Rules; however, the percentage of customers making two or more calls on this route is below the threshold requirement for a survey for traditional flat rate EAS pursuant to Rule 25-4.060, Florida Administrative Code. The Cedar Key/Bronson route exhibited one-way calling volumes which are consistent with the calling volumes seen in other EAS requests from rural communities for calling to the county seat. Accordingly, we find it appropriate to deny any further consideration of nonoptional, flat rate, two-way EAS on these routes. However, as outlined below, we believe that it is appropriate to propose requiring that the \$.25 plan be implemented in both directions on these routes.

This proposal is consistent with our actions in similar EAS dockets with rural areas where we have ordered the \$.25 plan as an alternative to traditional EAS. Recent examples include Franklin, Gulf, Jackson, Holmes, Okaloosa and Walton Counties (with the rate subsequently reduced to \$.20 per call in all but Franklin and Gulf Counties).

The \$.25 plan has gained favor for several reasons. Among these reasons are its simplicity, its message rate structure and the fact that it can be implemented as a local calling plan on an intraLATA or interLATA basis (except Southern Bell and GTE Florida Incorporated would require a MFJ waiver for interLATA). Optional EAS plans are somewhat confusing to customers, the additives or buy-ins are generally rather high, and the take rates for most OEAS plans are rather low.

Therefore, we propose that the \$.25 plan be implemented on a two-way basis on the Cedar Key/Chiefland route and Cedar Key/Bronson route. Specifically, the \$.25 plan means that all toll traffic on these routes shall be reclassified as local and be message rated at \$.25 per message regardless of the duration of the call. These local calls shall be dialed on a seven digit basis and shall be handled by pay telephone providers as any other local call. OEAS shall be discontinued simultaneously with the implementation of \$.25 message rate between the Cedar Key and Chiefland exchanges.

ORDER NO. PSC-92-1350-FOF-TL
DOCKET NO. 920149-TL
PAGE 3

In computing revenue impact, a model was developed, using 74 existing EAS routes, to predict new calling rates based on the old calling rate and the percent change in price. Using this model, an overall stimulation of 62.92% and an associated annual revenue loss of \$17,313.77 was estimated. Absent stimulation, the annual revenue loss would be \$33,566.40.

The new plan should be implemented within six months of the date this Order becomes final.

Once the \$.25 plan has been implemented, the route(s) at issue become local and no longer subject to competition. Thus, it is unnecessary to maintain the confidentiality of such routes. Since all routes are granted the \$.25 plan, it is appropriate to simply remove the traffic studies that have been identified as Document No. 08866-92 from the confidential files and place them in the regular case files.

This docket should be closed at the conclusion of the protest period if no timely protests are filed. The progress of the plan should be monitored to ensure the Southern Bell submits appropriate tariffs.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company shall implement a two-way \$.25 plan between Cedar Key and Bronson and between Cedar Key and Chiefland as outlined in the body of the Order. It is further

ORDERED that the current Optional Extended Area Service plan between Cedar Key and Chiefland should be discontinued simultaneously with the implementation of the \$.25 plan between the two exchanges. It is further

ORDERED that any protest of this Order shall be filed pursuant to the requirements set forth below. It is further

ORDERED that the traffic studies previously granted confidential status by Order No. PSC-92-0999-CFO-TL shall lose confidential status and be moved from the confidential files into the regular case files upon this Order becoming final. It is further

ORDER NO. PSC-92-1350-FOF-TL
DOCKET NO. 920149-TL
PAGE 4

ORDERED that if no protest is timely filed, this docket shall be closed and the matter monitored to ensure the filing of appropriate tariffs.

By ORDER of the Florida Public Service Commission, this 23rd day of November, 1992.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

JKA

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

ORDER NO. PSC-92-1350-FOF-TL
DOCKET NO. 920149-TL
PAGE 5

Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on December 14, 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.

Exhibit REP-13
Docket No. 950699-TL

VERNON/BONIFAY/WESTVILLE ECS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Resolution for extended) DOCKET NO. 911186-TL
 area service between the Vernon,) ORDER NO. PSC-92-0674-FOF-TL
 Bonifay and Westville exchanges) ISSUED: 07/20/92
 by Washington County Commission.)
 _____)

The following Commissioners participated in the disposition of this matter:

- THOMAS M. BEARD, Chairman
- SUSAN F. CLARK
- J. TERRY DEASON
- BETTY EASLEY
- LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION
ORDER IMPLEMENTING MODIFIED S. 25 PLAN
AND RELEASING INFORMATION HELD CONFIDENTIAL
BY ORDER NO. PSC-92-0599-PCO-TL

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.

This docket was initiated pursuant to a resolution passed by the Washington County Board of Commissioners. The petition requested implementation of extended area service (EAS) between the Vernon and Bonifay, and Vernon and Westville exchanges. Southern Bell Telephone and Telegraph Company (Southern Bell) serves the Vernon exchange (Washington County), and Central Telephone Company of Florida (Centel) serves the Bonifay (Holmes County) and Westville (Holmes and Washington County) exchanges. These exchanges are all located within the Panama City LATA. Bonifay and Westville currently have EAS to one another.

By Order Number 25617, issued January 21, 1992, we required the companies to conduct traffic studies on these routes. By Orders Nos. PSC-92-0137-PCO-TL and PSC-92-0138-PCO-TL, issued April 1, 1992, we granted Southern Bell and Centel an extension of time to file the required traffic studies. Southern Bell requested confidential treatment of intraLATA traffic data filed by the Company. This request was granted by Order No. Order No. PSC-92-0599-PCO-TL. issued on July 1, 1992.

Rule 25-4.060(2), Florida Administrative Code, sets forth the requirements for EAS. Upon review of the traffic data for the

ORDER NO. PSC-92-0674-FOF-TL
DOCKET NO. 91186-TL
PAGE 2

routes at issue, we find that none of the routes meet the requirements of this Rule.

However, the Vernon to Bonifay route exhibits a one-way calling volume significant enough to indicate a community of interest. This route meets the requirements in Rule 25-4.064, Florida Administrative Code, which provides that "whenever interexchange traffic patterns are such that subscriber needs may be adequately served by alternative service offerings, or requests may not fully meet the requirement of these rules but higher than average interexchange calling may exist, the Commission may give consideration to other alternatives." The remaining routes had a low calling volume with a small percentage of customers making calls.

In considering an alternative to traditional EAS, we note that the message rate plan has gained favor for several reasons. These include the plan's simplicity, its message rate structure, and its implementation as a local calling plan on an intraLATA or interLATA basis. In contrast, traditional EAS plans, particularly OEAS plans, are confusing to customers, the additives or buy-ins are generally rather high, and the take rates for most OEAS plans are rather low. Additionally, we have expressed concern that under such plans, when Toll-PAC is implemented a three minute message will still have a substantial cost to the customer.

The Vernon to Bonifay route, which showed a community of interest, leapfrogs the Westville exchange. It has been our policy that whenever two exchanges meet the requirements for EAS, or an alternative plan, and have exchanges between them which do not qualify, that the leapfrogged exchanges receive the same EAS considerations as the routes which qualified.

Upon review, we find that a modified \$.25 plan shall be implemented on the routes at issue. In this instance, the message rate plan shall be rated at \$.20 per message instead of \$.25. This is consistent with the rates which Bonifay and Westville customers currently pay for message rated routes in Centel's territory and also is consistent with Order No. 24985, issued on August 28, 1991, in Docket No. 891246-TL. The message rate plan shall be implemented on a two-way basis for Vernon to Bonifay and Vernon to Westville since the Westville route would be leapfrogged by allowing Vernon to call Bonifay.

Specifically, the \$.20 calling plan means that all toll traffic on these routes will be reclassified as local and be message rated at \$.20 per message regardless of the duration of the call. Customers may make an unlimited number of calls at \$.20 per

ORDER NO. PSC-92-0674-FOF-TL
DOCKET NO. 911186-TL
PAGE 3

call. These local calls will be dialed on a seven digit basis and will be handled by pay telephone providers as any other local call (\$.25). These routes shall be implemented within six months of this Order becoming final. The revenue loss for Centel and Southern Bell shall be addressed in future rate cases.

Since these routes will now be local, we find the intralATA traffic data which has been held confidential, pursuant to Order No. PSC-92-0599-PCO-TL, shall be released upon implementation of the service.

Inasmuch as the traffic studies reflect sufficient community of interest to warrant implementation of an alternative to toll rates, and the alternatives being recommended in this docket do not consider the costs in order to set the rates, the companies shall be relieved of the burden of conducting the cost studies required by Rule 25-4.061, Florida Administrative Code.

Although this Order requires an alternative to traditional EAS, similar cost issues arise. Under our rules, in situations where the qualification for EAS relies on the calling interest of the petitioning exchange as well as subscriber approval of the plan, recovery of costs is assigned as follows:

[T]he requested service may still be implemented, provided that the entire incremental cost for the new service, less any additional revenues generated by regrouping in either or both exchanges, shall be borne by the subscribers of the petitioning exchange.
Rule 25-4.062(4), Florida Administrative Code.

However, it has been shown in every EAS docket for which cost information has been submitted that full recovery of costs would result in unacceptably high rates to customers. For this reason, we have waived this Rule in every EAS docket for which traditional EAS has been approved. Similarly, we find that full recovery of cost in this case would result in unacceptably high rates to customers. Therefore, we find that full cost recovery shall not be permitted and that Rule 25-4.062(4) shall be waived.

Therefore, based upon the forgoing, it is

ORDERED by the Florida Public Service Commission that none of the routes at issue qualify for nonoptional, flat rate, two-way toll free calling. It is further

ORDER NO. PSC-92-0674-FOF-TL
DOCKET NO. 911186-TL
PAGE 4

ORDERED that calls on the Vernon to Bonifay and Vernon to Westville routes shall be rated at \$.20 per call in both directions, regardless of the call duration. These calls shall be furnished on a seven-digit basis. Non-LEC pay telephone providers shall charge end users as if these calls were a local \$.25 call, and the providers shall pay the standard measured usage rate to the LEC. Southern Bell and Centel shall implement this change within six (6) months of this order becoming final. It is further,

ORDERED that intraLATA traffic data now held confidential pursuant to Order No. PSC-92-0599-PCO-TL shall be released upon implementation of the service. It is further

ORDERED that Rule 25-4.061, Florida Administrative Code, which requires certain cost studies, is hereby waived. It is further

ORDERED that Rule 25-4.062(4), Florida Administrative Code, is hereby waived. The toll alternative plan shall not require full recovery of costs and lost revenues, including incremental costs. It is further

ORDERED that this docket shall be closed at the conclusion of the proposed agency action protest period, assuming no timely protest is filed.

By ORDER of the Florida Public Service Commission, this 20th day of July, 1992.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

CWM

ORDER NO. PSC-92-0674-FOF-TL
DOCKET NO. 911186-TL
PAGE 5

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 10, 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.

Exhibit REP-14
Docket No. 950699-TL

POCKET AREA DOCKETS

NOV 13 1995

Office of
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Resolution by the) DOCKET NO. 921194-TL
Liberty County Board of County)
Commissioners for extended area)
service (EAS) between East Point)
and Bristol, and East Point and)
Hosford.)

In Re: Resolution by the Baker) DOCKET NO. 930040-TL
County Commission requesting)
extended area service (EAS))
between the Lake City exchange)
and the Sanderson, Macclenny,)
Baldwin, and Jacksonville)
exchanges.)

In Re: Petition by the) DOCKET NO. 930173-TL
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.)

In Re: Resolution by the TAYLOR) DOCKET NO. 930235-TL
COUNTY BOARD OF COMMISSIONERS)
for countywide extended area)
service (EAS) within Taylor)
County.)

In Re: Resolution by Sarasota) DOCKET NO. 930578-TL
County Commission requesting)
countywide extended area service)
(EAS) within Sarasota County.)

In Re: Resolution by Town of) DOCKET NO. 940699-TL
Hastings requesting extended) ORDER NO. PSC-95-1396-FOF-TL
area service (EAS) from Flagler) ISSUED: November 13, 1995
Estates, (Palatka) exchange to)
the St. Augustine exchange.)

DOCUMENT NUMBER-DATE

11195 NOV 13 95

FPSC-RECORDS/REPORTING

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 2

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION
ORDER REGARDING EXTENDED AREA SERVICE

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

I. Background

The Commission postponed making decisions for these dockets until after the conclusion of the extended area service (EAS) rulemaking docket, Docket No. 930220-TL. This delay was to enable our staff to investigate the problems concerning EAS and revise the rules.

Because of the revisions to Chapter 364, Florida Statutes, by Chapter 95-403, Laws of Florida, we closed the EAS rulemaking docket at the August 15, 1995 agenda conference. We directed our staff to address the pending EAS dockets based on subject areas such as intraLATA alternative plan, interLATA alternative plan, and pocket area situations.

This Order addresses the pending EAS dockets which have pocket areas. Generally, pocket areas are defined as a portion of an exchange that has a different calling interest than the majority of the exchange. The Liberty, Baker, Sarasota and St. Johns counties "pocket" dockets are all intraLATA, and the appropriate traffic study data has been provided. However, Taylor County and Polo Park "pocket" dockets are interLATA, and we do not have the required traffic data. Southern Bell and GTEFL state that they no longer perform the billing and collection functions on these routes for

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 3

AT&T. As a result, we granted relief to these LECs from conducting interLATA traffic studies on these routes.

Sections II through IV of this Order concern intraLATA routes. The pocket areas in these dockets involve customers who cannot call their county seat on a local basis, because the exchange from which they are served is primarily located in a different county. We refer to this situation as an "intra-county" pocket. Section V of this Order addresses an interLATA, intra-county pocket route. Section VI concerns interLATA routes that do not involve intra-county calling.

II. Docket No. 921194-TL

By letter dated September 25, 1995, St. Joseph Telephone and Telegraph Company (St. Joe) notified us that it intends to implement ECS between the Eastpoint and Bristol exchanges. For ECS, residential calls are rated at \$.25 per call regardless of duration and business calls are charged at \$.10 for the first minute and \$.06 for each additional minute. St. Joe states that it has made its analysis of the pocket situation and has concluded that the best way to resolve the problem of the Sumatra residents is to implement ECS between the entire Eastpoint exchange and the Bristol exchange. St. Joe intends to file a tariff on or before October 20, 1995.

In Order No. PSC-93-1705-FOF-TL, issued November 29, 1993, we directed staff to investigate pocket situations in the EAS rulemaking docket. Staff was further directed to revisit the Eastpoint (Liberty County) pocket/Bristol route once a solution was found.

In addition to an alternative toll plan, we considered changing the boundary and moving the 56 Sumatra customers into the Bristol exchange. The cost of moving the Eastpoint (Liberty County pocket) into the Bristol exchange is estimated to be \$135,839.29 which is \$2,425.71 per customer. We determined in Order No. PSC-93-1705-FOF-TL that this was cost prohibitive.

We also considered making an exception area for the pocket, which would make it look like its own exchange without using a separate NXX. The pocket area telephone numbers could be class-marked to allow them to have a different calling scope. However, anytime an exception area is created within an exchange, customer confusion is imminent. This ranges from the location of the boundary defining the exception area to the telephone operators

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 4

assisting with information calls. In addition, St. Joe can only identify the outgoing calls. Thus, we do not believe that this is appropriate.

Historically, we have considered implementing an alternative toll plan on routes that met the calling rate requirement and exhibited a substantial distribution factor. Typically, these cases were close to meeting our requirements but fell short by a small percentage on the distribution factor. In the past, on pocket routes that met the M/A/M requirement for EAS and had significant distribution factors, we have considered alternative toll plans as resolutions to pocket situations, such as Docket No. 920667-TL - St. Johns County Commission for EAS between Green Cove Springs, Julington, and St. Augustine. In addition, we have denied toll relief on pocket routes that did not meet the EAS M/A/M requirement or demonstrated a significant distribution factor, such as Docket No. 9201 -TL - Highlands County and Docket No. 921268-TL - DeSoto County.

The calling volumes of 7.23 M/A/Ms on the Eastpoint (Liberty County pocket)/Bristol route exceeded the M/A/M requirement for traditional EAS under our rules, but the distribution factor fell below the 50% threshold requirement with 30% of the customers making two or more calls.

Thus, we believe this pocket route warrants an alternative toll plan since the calling rates and distribution factors are similar to those approved in 920667-TL. In addition, we find that it is appropriate to allow interexchange carriers (IXCs) to continue to carry the same types of traffic on these routes that they are now authorized to carry. This is consistent with Order No. PSC-94-0572-FOF-TL, issued May 16, 1994, in Docket No. 911034-TL - Request by the Broward County Commission for EAS between Fort Lauderdale, Hollywood, North Dade and Miami.

In computing revenue impact, we considered a 50% stimulation factor. With stimulation, an annual revenue loss of \$4,535 is estimated for St. Joe Telephone. Absent stimulation the annual revenue loss would be \$10,647.

Accordingly, St. Joe's proposal to implement extended calling service between the East Point and Bristol exchanges in Docket No. 921194-TL is approved. Any action on the questions concerning the Eastpoint/Hosford route will be deferred for further review. The Eastpoint exchange is primarily located in Franklin County and traffic data indicate that there is a community of interest between the residents of Liberty County served from the Eastpoint exchange

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 5

into the Bristol exchange which is the county seat of Liberty County. This proposal would provide toll relief for the Eastpoint (Liberty County pocket) customers to access their county seat, local government offices and schools.

The Company shall file an appropriate tariff to implement the ECS plan as soon as possible. The tariff should be approved without further Commission review. Residential customers shall pay \$.25 per call regardless of duration, and business calls on these routes shall be rated at \$.10 for the first minute and \$.06 for each additional minute. When implemented, pay telephone providers shall charge end users no more than \$.25 per message and pay the standard measured interconnection usage charge. Interexchange carriers may continue to carry the same types of traffic on these routes that they are now authorized to carry.

III. Docket No. 930040-TL

By Order No. PSC-93-1700-FOF-TL, issued November 24, 1993, we directed our staff to investigate pocket areas in the EAS rulemaking docket. Staff was further directed to revisit the Lake City (Baker County pocket)/Macclenny and Lake City (Baker County pocket)/Sanderson routes once a solution was found. The Lake City exchange is provided service by Southern Bell and the Macclenny and Sanderson routes are served by Northeast Telephone.

Because two local exchange companies (LECa) are involved, a boundary change to resolve the pocket problems was not considered. The expense, time and complications involved with a transfer of territory would be cost prohibitive due to the lengthy negotiations that may or may not result in a solution.

As mentioned previously, historically, we have considered an alternative toll plan on routes that met the calling rate requirement and exhibited a substantial distribution factor. The calling volumes on the Lake City (Baker County pocket)/Macclenny route exceeded the M/A/M requirement and distribution factor for traditional EAS under our rules. The Lake City/Sanderson route is included to avoid leapfrogging.

We find that the Lake City/Macclenny route warrants an alternative toll plan since the calling rates and distribution factors for the Lake City (Baker County pocket)/Macclenny route are similar to those approved in 920667-TL (St. Johns County). This will allow the Baker County residents who are served out of the Lake City exchange access to their county government and schools.

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 6

The Lake City/Sanderson route is also included for an alternative toll plan to avoid leapfrogging.

In addition, we find that it is appropriate to allow IXCs to continue to carry the same types of traffic on these routes that they are now authorized to carry. This is consistent with Order No. PSC-94-0572-FOF-TL, issued May 16, 1994, in Docket No. 911034-TL (Request by the Broward County Commission for EAS between Fort Lauderdale, Hollywood, North Dade and Miami).

Northeast stated it could not readily provide the data needed to determine the revenue impact. In computing the revenue impact for Southern Bell, we considered a 50% stimulation factor. With stimulation, an annual revenue loss of \$46,710 is estimated for Southern Bell. Absent stimulation the annual revenue loss would be \$62,637.

Accordingly, we find that ECS shall be implemented on the Lake City/Macclenny and Lake City/Sanderson routes. We include the Lake City/Sanderson route to avoid leapfrogging. Residential customers shall pay \$.25 per call regardless of duration, and business calls on these routes shall be rated at \$.10 for the first minute and \$.06 for each additional minute. ECS shall be implemented on these routes as soon as possible but not to exceed six months from the issuance date of this Order. When implemented, pay telephone providers shall charge end users no more than \$.25 per message and pay the standard measured interconnection usage charge. IXCs may continue to carry the same types of traffic on these routes that they are now authorized to carry.

IV. Docket No. 930578-TL

By Order No. PSC-94-0843-FOF-TL, issued July 12, 1994, we directed our to investigate pocket situations in the EAS rulemaking docket. We also directed the staff to revisit the Englewood (Sarasota County pocket)/Sarasota route once a solution was found. The Englewood and Sarasota exchanges are served by GTEFL.

As mentioned previously, historically, we have considered an alternative toll plan on routes that met the calling rate requirement and exhibited a substantial distribution factor. The calling volumes on the Englewood (Sarasota County pocket)/Sarasota route exceeded the M/A/M requirement and distribution factor for traditional EAS under our rules. Thus, we find that this route warrants an alternative toll plan since the calling rates and distribution factors are similar to those approved in 920667-TL

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 7

(St. Johns County). This will allow the Sarasota County residents who are served out of the Englewood exchange access to their county government and schools.

In addition, we find that it is appropriate to allow IXCs to continue to carry the same types of traffic on these routes that they are now authorized to carry. This is consistent with Order No. PSC-94-0572-FOF-TL, issued May 16, 1994, in Docket No. 911034-TL.

In computing revenue impact for GTEFL, we considered a 50% stimulation factor. With stimulation we estimate an annual revenue loss of \$458,330 for GTEFL. Absent stimulation the annual revenue loss would be \$588,393.

Accordingly, we find that ECS shall be implemented on the Englewood/Sarasota route. Residential customers shall pay \$.25 per call regardless of duration, and business calls on this route shall be rated at \$.10 for the first minute and \$.06 for each additional minute. ECS shall be implemented on this route as soon as possible but not to exceed six months from the issuance date of this Order. When implemented, pay telephone providers shall charge end users no more than \$.25 per message and pay the standard measured interconnection usage charge. Interexchange carriers may continue to carry the same types of traffic on this route that they are now authorized to carry.

V. Docket No. 940699-TL

By Order No. PSC-95-0353-FOF-TL, issued March 14, 1995, we directed our staff to investigate pocket situations in the EAS rulemaking docket. We also directed the staff to revisit the Palatka (St. Johns County pocket)/ St. Augustine route once a solution was found. The Palatka and St. Augustine exchanges are served by Southern Bell.

As mentioned previously, historically, we have considered an alternative toll plan on routes that met the calling rate requirement and exhibited a substantial distribution factor. The calling volumes on the Palatka (St. Johns County pocket)/St. Augustine route exceeded the M/A/M requirement and distribution factor for traditional EAS under our rules. Thus, we believe this route warrant an alternative toll plan since the calling rates and distribution factors are similar to those approved in 920667-TL (St. Johns County). This will allow the St. Johns County residents

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 8

who are served out of the Palatka exchange access to their county government and schools.

In addition, we find that it is appropriate to allow IXCs to continue to carry the same types of traffic on these routes that they are now authorized to carry. This is consistent with Order No. PSC-94-0572-FOF-TL, issued May 16, 1994.

To compute revenue impact for Southern Bell using a 50% stimulation factor, we estimate an annual revenue loss of \$236,623. Absent stimulation the annual revenue loss would be \$324,266.

Upon review, we find that ECS shall be implemented on the Palatka/St. Augustine route. Residential customers shall pay \$.25 per call regardless of duration, and business calls on this route shall be rated at \$.10 for the first minute and \$.06 for each additional minute. ECS shall be implemented on this route as soon as possible but not to exceed six months from the issuance date of this Order. When implemented, pay telephone providers shall charge end users no more than \$.25 per message and pay the standard measured interconnection usage charge. IXCs may continue to carry the same types of traffic on this route that they are now authorized to carry.

VI. Docket No. 930235-TL

This route involves a pocket of Taylor County subscribers who cannot call their county seat. These customers are served by Southern Bell from the Cross City exchange, which is primarily located in Dixie County. The county seat for Taylor County is located in the Perry exchange, which is served by Gulf. The Cross City and Perry exchanges are interLATA, and the LATA line does not correspond to the boundary between the counties.

By Order No. PSC-93-1168-FOF-TL, issued August 10, 1993, we granted Southern Bell relief from filing interLATA traffic studies on the routes in this docket. Southern Bell states that it no longer performs the recording and rating of interLATA traffic for AT&T; therefore, it no longer has the data, or access to it.

Gulf provided traffic studies on its interLATA routes; however, southern Bell could not provide any traffic data in the required format. At the September 12, 1995 agenda conference, we determined that no additional traffic studies should be required from Southern Bell in this docket.

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 9

We did not consider a boundary change, in this instance, to resolve the pocket problems, because it involves two local exchange companies. The expense, time and complications involved with a transfer of territory would be cost prohibitive due to the lengthy negotiations that may or may not result in a solution.

Historically, we have determined a community of interest based on the toll volumes between exchanges. We have also considered whether the area has toll-free access to its county seat. This case is unique in that it involves a pocket that cannot call its county seat, and we cannot obtain the toll information in the required format to make a community of interest determination. Because these routes involve a county that is not only split by an exchange but also a LATA line, we are limited in our options.

Because of this unique situation, we believe that these routes should be considered for an interLATA alternative toll plan. The decision regarding an interLATA alternative toll plan for the Cross City (Taylor County pocket)/Perry and Cross City (Taylor County pocket)/Keaton Beach routes will be made when we consider other pending dockets regarding interLATA alternative toll plans.

VII. Docket No. 930173-TL

The routes involved in this EAS request as shown in Table A are interLATA and involve GTEFL, Southern Bell, United and Vista-United.

TABLE A

REQUESTED INTERLATA ROUTES FOR EAS	
FROM:	TO:
Haines City (Except Poinciana 427 pocket)	Kissimmee, West Kissimmee
Haines City	Orlando, Lake Buena Vista, Windermere, Reedy Creek, Winter Park, Clermont, Winter Garden, St. Cloud
Haines City (including 427 Poinciana pocket)	Orlando, Lake Buena Vista, Windermere, Reedy Creek, Winter Park, Clermont, Winter Garden, St. Cloud

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 10

We do not have the traffic data from the requesting exchange, Haines City, or any other community of interest information other than the petition to assist in making a determination of whether these requested routes warrant EAS or ECS. Since this EAS request does not involve calling to the county seat, we do not believe that it is appropriate to implement an alternative plan without first determining if a community of interest exists.

By Order No. PSC-93-1168-FOF-TL, issued August 10, 1993, we granted Southern Bell relief from filing interLATA traffic studies on these routes. By Order No. PSC-94-0304-FOF-TL, issued March 16, 1994, we granted GTEFL relief from filing interLATA traffic data in this docket. Both LECs state that they no longer perform the recording and rating of interLATA traffic for AT&T; therefore, they no longer have the data, nor do they have access to the data. In addition, they state that they are unable to provide traffic data in the format required by the EAS rules.

United and Vista-United provided traffic studies on their interLATA routes, however GTEFL and Southern Bell could not provide any traffic data in the required format. At the September 12, 1995 agenda conference, we determined that no additional traffic studies should be required from Southern Bell or GTEFL in this docket and that we did not have sufficient information to make a recommendation regarding whether routes in Table A qualify to be balloted for EAS. Since this docket involves a pocket of the Haines City exchange (Polo Park), we also determined that this docket should be evaluated with the other pending EAS dockets that involve pocket areas.

Historically, we determined a community of interest based on the toll volumes between exchanges. This is consistent with Rule 25-4.060(3), Florida Administrative Code; however, since this information is unavailable in the format required the rule, other community of interest criteria should be considered. This is supported by that fact that this EAS request does not involve calling to the county seat. Thus, we should not decide whether an alternative plan is appropriate without first determining if a sufficient community of interest exists.

Accordingly, this docket shall be set for hearing to allow the parties an opportunity to present community of interest criteria. Thus, we will have an opportunity to consider community of interest information that otherwise would not be presented in this case. This is consistent with the decision in Docket No. 941281-TL (EAS - Groveland to Orlando).

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 11

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that St. Joseph Telephone and Telegraph Company's proposal to implement extended calling service between the Eastpoint and Bristol exchanges in Docket No. 921194-TL is hereby approved. Any action on the questions concerning the Eastpoint/Hosford route will be deferred for further review. It is further

ORDERED that extended calling service shall be implemented on the Lake City/Macclenny and Lake City/Sanderson routes in Docket No. 930040-TL. It is further

ORDERED that extended calling service shall be implemented on the Englewood/Sarasota route in Docket No. 930578-TL. It is further

ORDERED extended calling service shall be implemented on the Palatka/St. Augustine route in Docket No. 940699-TL. It is further

ORDERED that for the extended calling service plans in Dockets No. 921194-TL, 930040-TL, 930578-TL, and 940699-TL, residential customers shall pay \$.25 per call regardless of duration, and business calls on this route shall be rated at \$.10 for the first minute and \$.06 for each additional minute. Each company shall file an appropriate tariff to implement the extended calling service plan as soon as possible. The tariff shall be approved without further Commission review. When implemented, pay telephone providers shall charge end users no more than \$.25 per message and pay the standard measured interconnection usage charge. Interexchange carriers may continue to carry the same types of traffic on this route that they are now authorized to carry. It is further

ORDERED that the decision regarding an interLATA alternative toll plan for the Cross City (Taylor County pocket)/Perry and Cross City (Taylor County pocket)/Keaton Beach routes in Docket No. 930235-TL will be made when we consider other pending dockets regarding interLATA alternative toll plans. It is further

ORDERED that Docket No. 930173-TL shall be set for hearing so that community of interest criteria other than toll may be presented and considered for the routes listed in Table A of this Order. It is further

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 12

ORDERED that this Order shall become final and effective on the date set forth below if no timely protest is filed pursuant to the requirements set forth below. It is further

ORDERED that Dockets No. 930040-TL, 930578-TL and 940699-TL shall be closed if no protests are filed within 21 days of the issuance of this Order. A protest regarding one route shall not keep the action regarding other routes from becoming final. It is further

ORDERED that Dockets No. 921194-TL, 930173-TL and 930235-TL shall remain open as discussed within the body of this Order.

By ORDER of the Florida Public Service Commission, this 13th day of November, 1995.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

DLC

ORDER NO. PSC-95-1396-FOF-TL
DOCKETS NOS. 921194-TL, 930040-TL, 930173-TL, 930235-TL, 930578-TL,
940699-TL
PAGE 13

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 120.58, 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 4, 1995.

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 substantially 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.

Exhibit REP-14A
Docket No. 950699-TL

LIBERTY COUNTY POCKETS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Resolution by the	)	DOCKET NO. 921194-TL
Liberty County Board of County	)	ORDER NO. PSC-95-1586-FOF-TL
Commissioners for extended area	)	ISSUED: December 26, 1995
service between East Point and)	
Bristol, and East Point and)	
Hosford.)	
_____)	

The following Commissioners participated in the disposition of this matter:

- SUSAN F. CLARK, Chairman
- J. TERRY DEASON
- JOE GARCIA
- JULIA L. JOHNSON
- DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION

ORDER APPROVING IMPLEMENTATION OF EXTENDED CALLING SERVICE

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

I. BACKGROUND

This docket was initiated by Resolution No. 92-15 filed October 30, 1992 by the Liberty County Board of Commissioners requesting extended area service (EAS) between Sumatra, Florida, which is located in Liberty County, and the other areas of Liberty County (Bristol and Hosford exchanges). Sumatra subscribers (56) are provided service from the Eastpoint exchange, which is primarily located in Franklin County. There are also seven (7) Liberty County residents served from the Carrabelle exchange. Eastpoint, Carrabelle, Bristol and Hosford are all provided service by St. Joseph Telephone Company (St. Joe or the Company).

St. Joe conducted traffic studies January 1993 on the Eastpoint/Bristol, Eastpoint (Liberty County pocket)/Bristol, Eastpoint/Hosford and the Eastpoint (Liberty County pocket)/

ORDER NO. PSC-95-1586-FOF-TL
DOCKET NO. 921194-TL
PAGE 2

Hosford routes. In addition, upon our own motion, we determined to explore the feasibility of moving the Liberty County pocket of the Eastpoint exchange and Carrabelle exchange into a Liberty County exchange.

By Order No. PSC-93-1705-FOF-TL, issued November 29, 1993, the we decided that no toll routes qualified for nonoptional, two-way, flat rate EAS. We further determined that no alternative plan would be offered on the toll routes considered in this docket, and that the Eastpoint (Liberty County pocket)/Bristol route would be considered when our then pending generic EAS investigation was completed. Finally, we decided that a boundary change to move the Liberty County pockets of the Eastpoint and Carrabelle exchanges into an existing Liberty County exchange was cost prohibitive.

On May 15, 1995, the Commission receive a copy of Resolution 94-05 from Liberty County. The resolution is essentially the same as Resolution 92-15 except that the Liberty County Commission requested the \$ 25 plan rather than EAS. In addition to the resolution, the Commission has also received letters and a petition supporting Liberty County's request for countywide toll-free calling.

By Order No. PSC-95-1396-FOF-TL, we approved a proposal by St. Joe to implement extended calling service (ECS) on the Eastpoint/Bristol route. We also determined to examine further whether any relief on the Eastpoint/Hosford route is appropriate.

II. IMPLEMENTATION OF ECS ON THE EASTPONT/HOSFORD ROUTE

During the agenda conference at which we considered the request for ECS on the Eastpoint/Hosford route, St. Joe proposed that it be allowed to implement the ECS plan on this route. In view of the support of St. Joe of the request by Liberty County for ECS on the Eastpoint/Hosford route, we find it appropriate to approve the Company's proposal to implement ECS on this route. ECS on this route will provide toll relief for the Eastpoint (Liberty County pocket) customers for the remaining areas of Liberty County not previously provided toll relief.

The Company shall file an appropriate tariff to implement the ECS plan on the Eastpoint/Hosford route. ECS shall be implemented on this route as soon as possible, but not to exceed six months from the date this Order becomes final. Residential customers shall pay \$.25 per call regardless of duration, and business calls on these routes shall be rated at \$.10 for the first minute and \$.06 for each additional minute. When implemented, pay telephone

ORDER NO. PSC-95-1586-FOF-TL
DOCKET NO. 921194-TL
PAGE 3

providers shall charge end users no more than \$.25 per message and pay the standard measured interconnection usage charge. Interexchange carriers may continue to carry the same types of traffic on these routes that they are now authorized to carry.

Based on the foregoing, it is, therefore

ORDERED by the Florida Public Service Commission that St. Joseph Telephone and Telegraph Company's proposal to implement the Extended Calling Plan on the Eastpoint/Hosford route is approved as set forth in the body of this Order. It is further

ORDERED that the Company shall implement ECS on the Eastpoint/Hosford route as soon as possible, but not to exceed six months from the date this Order becomes final as set forth in the body of this Order. It is further

ORDERED that this Order shall become final and effective on the date set forth below if no timely protest is filed pursuant to the requirements set forth below in the "Notice of Further Proceedings or Judicial Review." It is further

ORDERED that in the event this Order becomes final, this Docket should be closed.

By ORDER of the Florida Public Service Commission, this 26th day of December, 1995.

/s/ Blanca S. Bayó

BLANCA S. BAYÓ, Director
Division of Records and Reporting

This is a facsimile copy. A signed copy of the order may be obtained by calling 1-904-413-6770.

(S E A L)

DLC

ORDER NO. PSC-95-1586-FOF-TL
DOCKET NO. 921194-TL
PAGE 4

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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on January 16, 1996.

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 substantially 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.

FLORIDA PUBLIC SERVICE COMMISSION
FLETCHER BUILDING
101 EAST GAINES STREET
TALLAHASSEE, FLORIDA 32399-0850

M E M O R A N D U M

OCTOBER 28, 1993

TO : DIRECTOR OF RECORDS AND REPORTING

FROM : DIVISION OF COMMUNICATIONS [SHELPER, WIDELL, REITH]
DIVISION OF LEGAL SERVICES [MURPHY]

RE : DOCKET NO. 921194-TL-EAS - REQUEST BY LIBERTY COUNTY BOARD OF COUNTY COMMISSIONERS FOR EXTENDED AREA SERVICE (EAS) BETWEEN EASTPOINT AND BRISTOL AND EASTPOINT AND HOSFORD.

AGENDA: NOVEMBER 9, 1993 - CONTROVERSIAL - PROPOSED AGENCY ACTION - PARTIES MAY PARTICIPATE

PANEL: FULL COMMISSION

SPECIAL INSTRUCTIONS: THIS ITEM WAS DEFERRED FROM THE AUGUST 17, 1993 AGENDA. ISSUES 2 AND 3 HAVE BEEN REVISED.

CRITICAL DATES: I:PSC\CMU\WP\921194.RCM

CASE BACKGROUND

- This docket was deferred from the August 17, 1993, agenda. Staff was directed to review the feasibility of moving the Liberty County pocket (approximately 56 access lines) of the Eastpoint exchange into a Liberty County exchange (Bristol or Hosford). In addition, staff was to look into moving the seven (7) Liberty County residents served out of the Carrabelle exchange into a Liberty County exchange.
- On August 30, 1993, staff sent a data request to St. Joe Telephone Company requesting cost information.
- On October 1, 1993, staff met with St. Joe Telephone staff at the Eastpoint central office to view facilities and discuss the information provided in the response to staff's data request.

Docket No. 921194-TL
October 28, 1993

- This recommendation addresses Liberty County's request for FAS from Eastpoint to Bristol and Hosford, and the feasibility of a boundary change for the Liberty County customers being served out of the Eastpoint and Carrabelle exchanges.

EXCHANGE INFORMATION:

- This docket was initiated pursuant to Resolution No. 92-15 passed by the Liberty County Board of Commissioners requesting extended area service (EAS) between the Eastpoint exchange, and the rest of Liberty County (Bristol, Carrabelle, and the Hosford exchanges). (The Eastpoint to Carrabelle route is not addressed in this docket since there are only seven (7) customers in the Liberty County portion of the Carrabelle exchange and this route was reviewed in Docket No. 900302-TL - Franklin County EAS; the \$.25 message plan was implemented between Eastpoint and Carrabelle on July 19, 1992.) St. Joe Telephone (SJT or the Company) serves the Bristol, Carrabelle, Hosford, and Eastpoint exchanges. Bristol and Hosford are totally located in Liberty County, the Eastpoint exchange has only fifty-six (56) subscribers in Liberty County and the Carrabelle exchange has only seven (7) subscribers in Liberty County. These exchanges are all in the Panama City LATA. Attachment A contains pertinent exchange data and Attachment B is a map of the exchanges.

PERTINENT ORDERS:

- Order No. PSC-93-0030-PCO-TL, issued January 6, 1993, required the company to conduct traffic studies on these routes.

DEMOGRAPHIC DESCRIPTION:

- The Eastpoint exchange - consists of 524.25 square miles, more than half being forest land, and containing 1,958 access lines. In the Sumatra/Liberty County area of the Eastpoint exchange there are 56 customers -- 8 businesses and 48 residents (of the 8 business lines, 3 are SJT company lines). Of the residential lines, 23 have local addresses and the remaining 25 have mailing addresses outside the area. This could indicate that almost half of the residential lines are

Docket No. 921194-TL
October 28, 1993

secondary residences. It is a toll call for the Sumatra Community (Liberty County) residents to call their schools or county government since the County does not have foreign exchange lines or 800 service to this area. Liberty County provides emergency services for residents of Sumatra.

MILEAGE:

Bristol to Eastpoint - 49 miles
Hosford to Eastpoint - 46 miles

Docket No. 921194-TL
October 28, 1993

DISCUSSION OF ISSUES

ISSUE 1: Do the calling rates on any of the toll routes considered in this docket qualify for a survey for nonoptional, flat rate, two-way toll free calling?

RECOMMENDATION: No. The Eastpoint/Bristol, and Eastpoint/Hosford routes did not qualify for nonoptional, flat rate, two-way toll free calling.

STAFF ANALYSIS: None of the routes qualify for nonoptional, flat rate, two-way toll free calling. Rule 25-4.060(3), F.A.C. specifies a two-way calling rate of two (2) M/A/Ms (messages per access line per month) and fifty (50%) percent or more of the subscribers in the exchanges involved making one or more calls per month (the routes were reviewed on a two-way basis instead of a one-way basis since the petitioning exchange did not have less than half the number of access lines as the larger exchange).

The calling rates for the routes at issue in this docket are listed below. The calling rates for the Liberty County pocket (Sumatra) of the Eastpoint exchange are also included.

TABLE A

INTEREXCHANGE CALLING RATES - (TWO WAY)		
FROM/TO	CALLING RATE M/A/M	CUSTOMERS MAKING 1 OR MORE CALLS PER MONTH
Bristol to Eastpoint	<u>.39</u>	8.9%
*Bristol to Eastpoint (Liberty County pocket)	<u>.18</u>	4.7%
Eastpoint to Bristol	<u>.38</u>	10.2%
*Eastpoint (Liberty County pocket) to Bristol	7.23	43.0%
Hosford to Eastpoint	<u>.24</u>	7.0%

Docket No. 921194-TL
October 28, 1993

*Hosford to Eastpoint (Liberty County pocket)	.06	3.2%
Eastpoint to Hosford	.07	2.50%
*Eastpoint (Liberty County pocket) to Hosford	1.03	28.0%

* indicates pocket route

Based on Rule 25-4.060(3), none of the routes qualified for nonoptional, flat rate, two-way EAS.

ISSUE 2: Should any alternative plan be offered on the toll routes considered in this docket?

RECOMMENDATION: No. The calling rates on these intraLATA routes as a whole have a low calling volume with a small percentage of customers making calls, and hence, do not exhibit a sufficient community of interest. Even though the Eastpoint (Liberty County pocket)/Bristol route does have calling rates that exceed the EAS rule requirement and could qualify for an alternative toll plan, staff recommends that no determination be made at this time, and reevaluate this route once pocket criteria have been established. The Eastpoint (Liberty County pocket)/Hosford route did not exhibit calling patterns that would warrant any form of alternative toll relief.

STAFF ANALYSIS: Currently, the Eastpoint exchange, which is primarily located in Franklin County (except for 56 subscribers located in Liberty County), has local calling to the Apalachicola exchange (county seat of Franklin County), and the \$.25 message plan to Alligator Point and Carrabelle. The fifty-six (56) Liberty County customers cannot call their county seat of Bristol toll-free.

Pocket areas have always been a problem when extended area

Docket No. 921194-TL
October 23, 1993

service (EAS) is involved. Because city and county boundary lines often differ from exchange boundaries, consumers within one county could be provided telephone services from an exchange in another county. This creates "pocket communities". Generally, when reviewing countywide EAS requests, the calling volumes from an exchange which includes a pocket will not meet our EAS requirements, because the exchange as a whole is located in another county and does not have a community of interest with the petitioning county. Unless separate traffic studies are conducted on the pocket areas, there will no indication of a community of interest. It is the residents of these pocket areas, however, who are often very vocal about the need to call within the county.

The routes requested in this docket are intra-county, intra-company, and intraLATA routes. Residents of the Eastpoint/Liberty County pocket do not have local calling to their county government or to the public schools (children attend school in Hosford). Liberty County does not provide an 800 or FX line to the school or county offices.

The traffic information provided in Table A indicates that the Eastpoint exchange as a whole does not have a community of interest with the Bristol and Hosford exchanges. However, the results of the pocket traffic study indicate that there is a community of interest between the residents of Liberty county served from the Eastpoint exchange and the Bristol exchange (7.23 M/A/M with 43% making one or more calls), which is its county seat. Calling rates to the Hosford exchange (M/A/M 1.03 with 28% making one or more calls) from the Eastpoint pocket did not indicate a community of interest.

Historically, the Commission has implemented the \$.25 calling plan on routes that exhibited a substantia! calling volume and/or distribution. Typically, these cases were close to meeting our flat rate EAS requirements but failed either on the distribution or volume level by a small percentage. These routes (with the exception of the Eastpoint (Liberty County pocket)/Bristol route) were not close to meeting our requirements.

It does not seem reasonable or cost effective to require St. Joe Telephone Company to provide an alternative toll plan, such as the \$.25 plan, between Eastpoint and Bristol, when only the Liberty County pocket of the Eastpoint exchange had significant calling volumes and distribution to warrant any form of toll relief (The Eastpoint exchange has a total of 1,953 access lines; only the

Docket No. 921194-TL .
October 28, 1993

Liberty County pocket of 56 access lines met the M/A/M requirement).

It is staff's opinion that since only the Eastpoint (Liberty County pocket)/Bristol route exhibited calling rates that warrant any form of alternative toll relief, that the Commission not make a determination on this route at this time.

Staff is currently reviewing EAS in general. Task groups, which consists of local exchange companies (LECs), interexchange carriers (IXCs) and counties, have been set up to examine and develop solutions to EAS problems including pocket areas. Once an acceptable solution can be developed, staff will bring this pocket route back before the Commission to be reevaluated.

Staff recommends that the Commission not make a determination on the Eastpoint (Liberty County pocket)/Bristol route at this time. Once the generic EAS investigation is complete, staff will reevaluate this route. The remaining route, Eastpoint (Liberty County pocket)/Hosford, did not exhibit a significant community of interest; therefore no alternative toll plan is warranted.

ISSUE 3: Should a boundary change be considered to move the Liberty County pockets of the Eastpoint and Carrabelle exchanges into an existing Liberty County exchange (Bristol or Hosford)?

RECOMMENDATION: No. The estimated cost of moving the Eastpoint Liberty County pocket of 56 customers into the Bristol exchange is estimated at \$135,839.49 (\$2,425.71 per customer), and the estimated cost of moving the Carrabelle Liberty County pocket of 7 customers into the Bristol exchange is \$119,187.60 (\$17,026.80 per customer).

STAFF ANALYSIS: At the August 17, 1993, agenda the Commission heard testimony from Mr. Hamlin, a resident of Liberty County whose local service is provided from the Eastpoint exchange (in Franklin County). Mr. Hamlin contends that he is isolated from his county

Docket No. 921194-TL
October 28, 1993

and government because he is unable to call the other areas of Liberty County toll free.

The calling rates between the Eastpoint exchange, as a whole, to Liberty County were extremely low. However, traffic studies indicate a significant community of interest between the Eastpoint (Liberty County pocket) and the Bristol exchange. Because only the "pocket" route warranted any form of alternative toll relief, the Commission requested staff to investigate the feasibility of moving this "pocket" into a Liberty County exchange to resolve the county calling problem.

On August 30, 1993, staff sent St. Joe Telephone a data request asking the Company to determine which Liberty County exchange it would select to serve the "pockets" if a boundary change was required, and what would be the cost involved. St. Joe Telephone chose the Bristol exchange because of current facility configuration.

The 56 Eastpoint (Liberty County) customers are presently served with a digital subscriber concentrator. This system uses T-1 carrier facilities between the central office terminal (Eastpoint) and the remote terminal (Sumatra). This system also serves some subscribers in the northern portion of Franklin County in the vicinity of the Sumatra remote terminals. If ordered to transfer the Liberty County subscribers from Eastpoint to Bristol, the company plans to relocate the central office terminal to Bristol central office. They will need to place 6.9 miles of new cable from the end of existing cable out of Bristol to the Sumatra remote terminal location and add 16 T carrier repeaters to develop facilities to work the concentrator out of Bristol. In addition, Franklin County subscribers served by the concentrator system will have to be removed and served out of Eastpoint. The estimated cost breakdown is listed below:

Cable facilities	\$ 70,753.49	
Electronic Facilities	<u>65,086.00</u>	
Total	\$135,839.49	(\$2,425.71 per customer)

It should be noted that this plan is based on an out of service cut. The Company estimates that the Sumatra subscribers would be out of service for about 5 hours.

St. Joe Telephone estimates the cost of moving the seven (7)

Docket No. 921194-TL
October 28, 1993

Carrabelle (Liberty County) customers into the Bristol exchange at \$119,187.60 (\$17,026.80 per customer). It would require an extension of the cable on the Hosford route to connect into the Sanborn Landing cable facility. A new carrier system would then be installed on the cable from the Hosford central office to Sanborn Landing. The cost breakdown is listed below:

Cable facilities	\$ 93,929.60
Electronic facilities	<u>25,258.00</u>
Total	\$119,187.60

On October 1, 1993, staff visited the Eastpoint central office to review the facilities in place and to get a better picture of what would be required to move these pockets into the Bristol exchange.

Based on the information provided in the data request and the additional information that was supplied at the meeting, staff agrees with the engineering specification and the cost estimates provided by St. Joe Telephone.

Another consideration is who would absorb the cost. Since boundary changes do not require an additive, the Company does not have any way to recover the cost. As a result, this could place upward pressure on local rates for all of St. Telephone's ratepayers, not just the Eastpoint (Liberty County pocket) customers.

This recommendation is consistent with past Commission action in Docket No. 930918-TL [Petition by Foxridge Subdivision to change the Tampa-North boundary to include the residents of County Crossing (Zephyrhills exchange)], where the Commission denied the boundary request because of the high costs (estimated at \$361,877 at \$1,274 per customer). In Docket No. 930035-TL (Request by Volusia County to move the Lake Ashby community from the Sanford exchange into the New Smyrna Beach exchange) the Commission has directed staff to investigate the feasibility of the Lake Ashby customers absorbing some of the cost to move the boundary (estimated cost of \$184,500 at \$1,085 per customer). This docket is also scheduled for the November 9, 1993 agenda.

The traffic study supports the customer's argument that there is a community of interest between the Eastpoint (Liberty County pocket) exchange and the Bristol exchange. However, the traffic

Docket No. 921194-TL
October 28, 1993

study does not support a community of interest between the Eastpoint (Liberty County pocket) exchange and the Hosford exchange.

The dilemma is what should be done about a pocket that does exhibit a community of interest to another exchange, but the exchange as a whole has little or no interest. The cost involved in a boundary change is usually high due to equipment and facility requirements, and may not be reasonable. Alternative toll relief plans, such as the \$.25 plan, provide a toll relief not only to the pocket area that needs the relief but also to the remaining subscribers in the exchange that do not warrant it.

Staff is currently conducting a generic EAS review. One of the crucial topics of investigation is what can or should be done about pocket areas. Staff believes that no action should be taken on the Eastpoint (Liberty County)/Bristol route until an appropriate solution to the pocket problem has been developed. At that time, staff will reevaluate the Eastpoint (Liberty County pocket)/Bristol route.

Based on the currently EAS review and the high cost involved to change the boundaries, staff recommends that the Commission not change the boundary.

ISSUE 4: Should Docket No. 921194-TL be closed?

RECOMMENDATION: Yes. This docket should be closed at the end of the PAA protest period if no timely protest is filed

STAFF ANALYSIS: This docket should be closed at the conclusion of the PAA period, assuming no timely protest is filed.

921194..JS

Docket No. 921194-TL
October 28, 1993

Attachment A

Page 1 of 1

EXCHANGE DATA					
EXCHANGE	LEC	LATA	ACCESS LINES EAS LINES	EAS CALLING SCOPE	BASIC RATES
BRISTOL	ST JOE	Panama City	1,559* 159,424**	Blountstown, Hosford, and Tallahassee	R-1 \$ 9.15 B-1 \$24.00 PBX \$46.00
CARRABELLE	ST JOE	Panama City	1,707* 1,707**	Tallahassee, Sopchoppy, and Crawfordville {Alligator Point, Apalachicola, and Eastpoint}	R-1 \$ 6.30 B-1 \$17.25 PBX \$33.15
EASTPOINT	ST JOE	Panama City	1,958* 3,845**	Apalachicola {Alligator Point and Carrabelle}	R-1 \$ 6.30 B-1 \$17.25 PBX \$33.68
HOSFORD	ST JOE	Panama City	594* 154,492**	Blountstown, Bristol and Tallahassee	R-1 \$ 9.15 B-1 \$24.00 PBX \$46.00

- * HOME EXCHANGE
- ** TOTAL LOCAL CALLING AREA
- { } \$.25 MESSAGE RATE PLAN

Exhibit REP-15
Docket No. 950699-TL

ECS IS MOST APPROPRIATE

EXHIBIT NO:

WITNESS: Kissell

DESCRIPTION:

GTEFL's responses to staff's
1st set of Interrogatories (1-5, 7-9, 11, 13-30,
32-34, 40-46, 48-56)
2nd set of Interrogatories (60-62)
3rd set of Interrogatories (64-75, 80-88, 95-96,
98, 100-102, 109-111, 115-120, 123-128)

PARTY: GTEFL

PROFFERING PARTY: STAFF

DOCKET NO: 910179-TL

Proposed tariff filing to Introduce Extended Calling Service (ECS) plan which allows the conversion of IntraLATA toll routes between exchanges of Tampa, Clearwater, Tarpon Springs and St. Petersburg to 7-digit local measured service, by GTE FLORIDA, INC. (T-91-037 filed 1/29/91)

Staff Exhibit (1/12)
This is confidential (1/13)

32. Which of the following factors listed below should be considered in determining the existence of a community of interest?
- a. access to emergency services
 - b. access to public schools and other educational facilities
 - c. access to medical services, doctors, hospitals
 - d. access to shopping facilities
 - e. access to county government
 - f. access to state government offices
 - g. access to principal employers
 - h. other (please specify)

Response

GTEFL believes all of the above mentioned factors are considerations for what determines a community of interest. However, the particular communities of interest between individual telephone users may vary dramatically. For example, for young adults, access to educational facilities and principal employers may be the most significant factors. For retired people, access to medical services and government offices may be more important. It must also be understood that among each of these groups mentioned, there can be significant degrees of importance on each of the above mentioned factors. For this reason, GTEFL believes its ECS is the most appropriate plan to address the widely varying needs of its customers in the proposed ECS areas.

Exhibit REP-16
Docket No. 950699-TL

ECS IS BEST ALTERNATIVE

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**Proposed tariff filing to introduce
Extended Calling Service (ECS) Plan which
allow the conversion of IntraLATA toll
routes between exchanges of Tampa, Clear-
water, Tarpon Springs and St. Petersburg
to 7-digit local measured service, by GTE
Florida, Inc.**

DOCKET NO. 910179-TL

**DIRECT TESTIMONY
OF
JEFFREY C. KISSELL

GTE FLORIDA, INC.**

And Exhibit 5

1 A. GTEFL strongly believes that its ECS proposal is the best
2 alternative for meeting the local calling needs of its
3 Tampa Bay customers. First, it is an extremely fair plan
4 in that only those customers who actually make ECS calls
5 pay for them. ECS customers who do not make ECS calls do
6 not incur ECS usage charges. Under usual EAS circumstances
7 all customers are required to pay for EAS, whether they use
8 the service or not. The proposed ECS calls rates represent
9 a significant rate reduction over current toll calling, so
10 customers will be able to make significantly more Bay Area
11 calls for the same or less amount of money.

12

13 GTE's experience with very similar types of local calling
14 plans point to the fact that customers really like plans
15 along the lines of ECS. For example, GTE conducted
16 customer opinion research after an initial trial period
17 with its TriWideSM program in North Carolina and found that
18 73% of residence customers and 83% of business customers
19 were favorable towards the plan. Very simply, customers
20 like the fairness ("you only pay for the calls you make")
21 and the cost effectiveness ("significantly less per call
22 than toll") of the approach. GTEFL would like to repeat
23 this strong, positive customer reaction in the Bay Area and
24 feels ECS is the best and most proven method to achieve
25 it.

Exhibit REP-17
Docket No. 950699-TL

TAMPA BAY CIF

Pg 1 of 2

6/24/91

FLORIDA ECS CIFs

Clearwater	Tampa Central	Tampa Central	Clearwater
4.31		2.47	
Clearwater	Tampa East	Tampa East	Clearwater
.24		1.09	
Clearwater	Tampa North	Tampa North	Clearwater
.11		1.05	
Clearwater	Tampa South	Tampa South	Clearwater
.04		.47	
Clearwater	Tampa Combined	Tampa Combined	Clearwater
4.70		2.12	
Clearwater	ECS Routes	ECS Routes	Clearwater
4.70		2.12	
St. Petersburg	Tampa Central	Tampa Central	St. Petersburg
3.94		2.57	
St. Petersburg	Tampa East	Tampa East	St. Petersburg
.23		1.31	
St. Petersburg	Tampa North	Tampa North	St. Petersburg
.09		.90	
St. Petersburg	Tampa South	Tampa South	St. Petersburg
.05		.68	
St. Petersburg	Tampa West	Tampa West	St. Petersburg
.19		3.66	

ATTACHMENT 2

000184

109282

FLORIDA ECS CIFs

St. Petersburg 4.50	Tampa Combined	Tampa Combined 2.35	St. Petersburg
St. Petersburg .24	Tarpon Springs	Tarpon Springs 2.04	St. Petersburg
St. Petersburg 4.74	ECS Routes	ECS Routes 2.32	St. Petersburg
Tarpon Springs 2.36	Tampa Central	Tampa Central .22	Tarpon Springs
Tarpon Springs .11	Tampa East	Tampa East .09	Tarpon Springs
Tarpon Springs .13	Tampa North	Tampa North .19	Tarpon Springs
Tarpon Springs .02	Tampa South	Tampa South .03	Tarpon Springs
Tarpon Springs .75	Tampa West	Tampa West 1.86	Tarpon Springs
Tarpon Springs 3.38	Tampa Combined	Tampa Combined .26	Tarpon Springs
Tarpon Springs 2.04	St. Petersburg	St. Petersburg .24	Tarpon Springs
Tarpon Springs 5.41	ECS Routes	ECS Routes .28	Tarpon Spring

Exhibit REP-18
Docket No. 950699-TL

PSC COUNTYWIDE DECISION

ORDER NO. PSC-93-0108-FOF-TL
DOCKETS NOS. 920188-TL & 920939-TL
PAGE 102

community. Although we agree with the principle of toll relief, ECS may not be the appropriate vehicle for such relief. Moreover, not all of the calling volumes for the proposed ECS routes under consideration in this Docket warrant toll relief.

By Order Number 25708, issued in GTEFL's initial ECS Docket, we stated that, in addition to traffic data, "community of interest" considerations should include access to various facilities and services such as emergency services, educational facilities, medical services, shopping facilities, state and county governmental offices, principal employers, employment, and recreational facilities. GTEFL was able to demonstrate in that case that there was a high degree of community of interest which warranted the ECS plan.

However, in the instant case, the only information which GTEFL provided in support of expansion of the ECS plan was traffic data, EAS petitions by Frostproof and Manatee and Pasco Counties, and customer letters. GTEFL did not present any evidence regarding commercial or commuting patterns, population growth, hospitals, government centers, and census information on the routes for which it proposed expanding ECS. Although GTEFL chose the proposed ECS routes because it believes there is a "customer need for expanded local calling on these routes," it did not prove that such a need exists for the routes it has proposed.

2. Countywide Calling

As support for its view that county boundaries are appropriate standards for determining local calling areas, GTEFL referred to our decision in Docket No. 910529-TL, wherein we expanded local calling on intracounty routes, six of which involved GTEFL exchanges. However, that Docket was opened in response to a request by the Board of County Commissioners of Pasco County to expand local calling. While we have generally responded to countywide needs when requested by a community or government entity, we find a wholesale conversion to countywide calling absent such a request to be inappropriate.

3. Flat Rate EAS

Traditional EAS was created to provide specific areas, which had an established community of interest with another area, some form of toll relief. EAS is a rate structure plan that provides local calling at a monthly flat rate between exchanges which have demonstrated communities of interest. This arrangement provides for nonoptional, flat rate, two-way, unlimited calling between two or more exchanges. Typically a small exchange requests EAS to a

Exhibit REP-19
Docket No. 950699-TL

ECS IS BEST METHOD

Should GTEFL's requested changes be approved? Are any other changes to access services appropriate?

Time of Day (TOD) Access rates do not accomplish their economic objective of redistributing peak and off-peak calling volumes. Elimination of TOD access rates will reduce current peak period access prices and provide a better economic distribution of access prices. (Fulp)

ISSUE 38A: Should ATT-C be required to flow through any reductions in GTEFL's access charges?

GTEFL takes no position at this time pending receipt of its outstanding discovery requests.

EAS/ECS

ISSUE 39: GTEFL is proposing to expand the availability of its existing ECS (Extended Calling Service) plan; the Company's proposals include:

- (a) converting to ECS certain existing toll routes that are less than 35 miles and that have CIFs greater than 3.0;

GTEFL believes that toll routes that exhibit the characteristics of high volumes of traffic as demonstrated by a CIF greater than 3.0 and are short distances, defined as 35 miles or less, should qualify for toll relief in the form of expanded local calling. GTEFL believes that its current ECS has been an excellent plan for meeting customers' needs for expanded local calling. ECS ensures that the costs associated with providing the service are recovered from those customers using the service. GTEFL believes that ECS is the appropriate and best method for addressing customers' needs for expanded local calling on the routes proposed in this rate case. (Kissell)

- (b) converting all remaining intracounty/intraLATA toll routes to the ECS plan; and

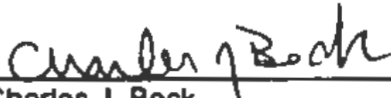
GTEFL believes that county boundaries in GTEFL's service territory are reasonable determinations for a customer's local calling area. GTEFL believes that ECS is the best method to address customers' needs for expanded local calling. (Kissell)

CERTIFICATE OF SERVICE
DOCKET NO. 950699-TL

Rebuttal - R.E. Poucher

I HEREBY CERTIFY that a correct copy of the foregoing has been

furnished by U.S. Mail or hand-delivery to the following parties on this 21st
day of March, 1997.



Charles J Beck

Cochran Keating, Esq.
Division of Legal Services
Fla. Public Service Commission
2540 Shumard Oak Blv
Tallahassee, FL 32399-0850

J. Jeffrey Whalen, Esq.
Ausley and McMullen
227 S. Calhoun Street
P.O. Box 391
Tallahassee, FL 32301

Ann Shelfer
Communications Department
Fla. Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Kimberly Caswell
GTE Florida Incorporated
One Tampa City Center
P.O. Box 110, MC 7
Tampa, FL 33601-0110

Robert Nettleton
City Attorney
P.O. Box 277
Haines City, FL 33845-0277

DN 03029-97
3/21/97