## State of Florida



## Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M

DATE:

AUGUST 5, 1999

TO:

DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM:

DIVISION OF COMMUNICATIONS (BARRETT)

DIVISION OF LEGAL SERVICES (KEATING)

RE:

DOCKET NO. 930235-TL - RESOLUTION BY THE TAYLOR COUNTY BOARD OF COMMISSIONERS FOR COUNTYWIDE EXTENDED AREA SERVICE (EAS) WITHIN TAYLOR COUNTY.

AGENDA:

08/17/99 - REGULAR AGENDA - POST HEARING DECISION - CLOSE DOCKET - PARTICIPATION IS LIMITED TO COMMISSIONERS AND STAFF

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMU\WP\930235.RCM

## CASE BACKGROUND

This docket was initiated pursuant to Resolution No. 93 filed by the Taylor County Board of Commissioners on February 4, 1993, requesting countywide extended area service (EAS) within Taylor County. GTC, Inc. (GTC) provides service to the Keaton Beach and Perry exchanges. BellSouth (BST) provides service to the Steinhatchee pocket of Taylor County, which is served out of the Cross City exchange located in Dixie County. The Keaton Beach and Perry exchanges are located in the Tallahassee LATA (local access and transport area). The Cross City exchange (Steinhatchee pocket) is located in the Gainesville LATA.

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On January 29, 1998, the Commission held a customer and technical hearing in Steinhatchee, Florida, to determine if a sufficient community of interest existed on the routes in this docket to justify EAS.

By Order No. PSC-98-0794-FOF-TL, issued June 8, 1998, the Commission determined that an insufficient community of interest existed on the routes in this docket to justify EAS, but that the docket should remain open pending discussion with the Federal Communications Commission (FCC) regarding a waiver to allow an Extended Calling Service (ECS) offering.

Staff's discussions with the FCC have not been favorable. With no further avenues for toll relief available at this time, staff presents this recommendation to close the docket.

## DISCUSSION OF ISSUE

ISSUE 1: Should this docket be closed?

STAFF RECOMMENDATION: Yes. Based upon the FCC's apparent unwillingness to grant a waiver for an interLATA ECS offering, this docket should be closed, with no further action being needed. (KEATING, BARRETT)

**STAFF ANALYSIS:** Based upon the FCC's apparent unwillingness to grant a waiver for an interLATA ECS offering, this docket should be closed, with no further action being needed.

Under the Telecommunications Act of 1996 (Act), BellSouth is prohibited from originating interLATA traffic until it receives authority pursuant to Section 271. Even when BellSouth does receive Section 271 authority, it can only carry interLATA traffic through a separate, independent affiliate, in accordance with Section 272 of the Act.

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The routes at issue in this Docket, Cross City (Steinhatchee Pocket)/Keaton Beach and Cross City (Steinhatchee Pocket)/Perry are interLATA routes, and involve BellSouth. PSC staff has discussed with the FCC staff the possibility of a waiver or modification of the LATA boundaries to allow BellSouth to originate traffic on these routes to provide some form of toll relief other than EAS. The FCC staff has indicated to us that it will only recommend approval of LATA modifications to allow toll relief that is flat-rated, like EAS, as opposed to measured service, like ECS.

Staff has also considered the possibility of a proceeding to review the feasibility of one-way ECS. Staff does not, however, believe that this is appropriate or necessary, because BellSouth serves the smaller exchange on both of these routes. Thus, one-way ECS would only provide relief from Keaton Beach to the Steinhatchee Pocket and from Perry to the Steinhatchee Pocket. Based on the findings in the Commission's post-hearing decision in this case, staff believes that the true community of interest actually lies in traffic flowing in the opposite direction from the BellSouth exchange (Steinhatchee pocket) into the larger exchanges. One-way ECS would not, therefore, provide the desired relief.

With no other means of toll relief available for the routes in this docket, and with no further relief alternatives to explore, staff believes that this docket should be closed and that no further action is needed.