#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into telephone exchange boundary issues in St. Augustine and Palm Coast exchanges (Daytona Beach and Jacksonville LATA boundaries).

DOCKET NO. 000258-TL ORDER NO. PSC-00-0825-PAA-TL ISSUED: April 26, 2000

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.
LILA A. JABER

# NOTICE OF PROPOSED AGENCY ACTION ORDER REQUIRING SURVEY FOR PROPOSED TELEPHONE EXCHANGE TRANSFER

#### 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. <u>CASE BACKGROUND</u>

At our January 27, 2000, customer hearing in Docket No. 990517-TL, the Request for Review of Proposed Numbering Plan Relief for the 904 Area Code, Mr. and Mrs. Richard Rubino from the Palm Coast area expressed concerns about the boundary between the Daytona Beach and Jacksonville LATAs. As a result, this docket has been opened to investigate the exchange boundary issues in this particular area. At the customer hearing, BellSouth indicated that it would cooperate in efforts to find resolve this matter.

DOCUMENT NUMBER-DATE

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We first received complaints from residents in this area pertaining to telephone exchange boundary issues in early 1999. Our staff received complaints from the Rubinos, the Waltmans and the Boehms. These residents asserted that they would like to be able to call toll-free to the Palm Coast exchange. They explained that all live in Flagler County, but are served from the St. Augustine exchange, which is in the Jacksonville LATA. The residents complained that their current local calling area includes the Hastings, St. Augustine, and St. Johns exchanges, instead of locations in Flagler County. Although they also have extended calling to Green Cove Springs, Jacksonville, Jacksonville Beach, Julington, and Ponte Vedra Beach, these customers indicate that they would prefer to be in the Palm Coast exchange.

On November 4, 1999, BellSouth responded to our staff's inquiries in the above referenced complaints. In its letter, BellSouth explained that it is legally prohibited from carrying traffic across a LATA boundary. BellSouth did, however, acknowledge that on some occasions, the Federal Communications Commission (FCC) has granted waivers to modify a LATA boundary, provided that there has been a determination through balloting that there is a significant community of interest. BellSouth further stated that any remedy to the customers' concerns would require a change in LATA boundary, and customers would also need to change their telephone numbers and local calling areas.

On February 24, 2000, our staff met with a BellSouth representative in an effort to find a remedy to this situation. The BellSouth representative again emphasized that the affected customers would have to agree to the changes to their telephone numbers and their local calling areas that would be necessitated by the boundary change before BellSouth would request a waiver of the LATA boundary from the FCC. He noted that in the past the Commission has utilized a survey process to inform customers of similar situations and to gauge their willingness to accept such changes.

This is our decision to survey the customers that would be affected by the proposed transfer from the Flagler County pocket of the St. Augustine exchange to the Palm Coast exchange.

# II. SURVEY AND BALLOT CRITERIA

As noted by BellSouth's representative, transferring customers from one exchange to the other will have an impact on the

transferred customers. Affected customers will have to change their seven-digit telephone number, as well as their calling scope. As such, we believe that it is appropriate to survey the affected customers in the Flagler County pocket of the St. Augustine exchange to determine whether the customers are willing to accept these changes in order to be transferred to the Palm Coast exchange. The survey ballots will be collected by this Commission, counted by our staff, and the results will be provided to us at a subsequent Commission Agenda Conference.

We have also considered the appropriate survey criteria. The survey provisions set forth in Rule 25-4.063, Florida Administrative Code, which is applicable to surveys for extended area service, shall be used as a guideline, with the exception of subsection (6) of the rule. Subsection (6) provides:

The requested Extended Area Service shall be approved and ordered by the Commission upon a finding that a majority of all respondents in each exchange if route-by-route, or the consolidated results if so ordered, required to be surveyed vote favorably, and at least forty (40%) percent of all ballots sent are returned.

In previous exchange boundary modification cases, we have required different threshold limits. In cases where customers were to be moved from one exchange to another, we have required a higher response and approval threshold: 60 percent of balloted customers were required to respond and 50 percent were required to vote in favor of the proposal (60/50 criteria). See Docket Nos. 961048-TL and 951099-TL. In situations where a new exchange was created, we have required a lower response threshold, but the same threshold for approval (50/50 criteria). See Docket Nos. 981795-TL and 981345-TL.

BellSouth has indicated that there are about 174 access lines in this area, which coincides to approximately 100 customers. If the 50/50 criteria is used, only 25 customers would, ultimately, need to vote in favor of the proposal for the survey to pass. The BellSouth representative has indicated that BellSouth does not believe this is reasonable considering the total number of customers.

## III. <u>DETERMINATION</u>

Upon consideration, we agree that a slightly higher response threshold is warranted. Therefore, we shall require that 60 percent of those surveyed must respond and a majority of those that respond must vote in favor of the proposal.

Therefore, based on the foregoing, we shall require BellSouth to survey the customers in the Flagler County pocket of the St. Augustine exchange for a possible transfer to the Palm Coast exchange. The survey shall be initiated within 60 days from the date that this Order becomes final. The survey ballot shall advise the subscribers that their seven-digit telephone number and calling scope will change from Rate Group IV to Rate Group III, and that their area code may change, pending the outcome of Docket No. 990517-TL. The survey letter and ballot shall be submitted to Commission staff for review prior to distribution to the affected customers. In order for the survey to pass, we shall require that at least 60 percent of the subscribers balloted must respond, and of those responding, at least a majority must vote in favor of the boundary change.

Based on the foregoing, it is therefore

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc. shall conduct a survey of the subscribers in the Flagler County pocket of the St. Augustine exchange as set forth in the body of this Order. It is further

ORDERED that in order for the survey to pass, at least 60 percent of the subscribers balloted must respond, and of those responding, at least a majority must vote in favor of the boundary change. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall remain open pending the outcome of the survey.

By ORDER of the Florida Public Service Commission this <u>26th</u> day of <u>April</u>, <u>2000</u>.

BLANCA S. BAYÓ, Director

Division of Records and Reporting

(SEAL)

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# NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, 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 will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, 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 May 17, 2000.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.