

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition by residents of) DOCKET NO. 920699-TL
Alligator Point requesting) ORDER NO. PSC-93-0354-FOF-TL
extended area service (EAS) from) ISSUED: 03/08/93
Alligator Point to Sopchoppy,)
Panacea, Crawfordville, St.)
Marks and Tallahassee.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION
ORDER REQUIRING SURVEY OF CUSTOMERS
FOR IMPLEMENTATION OF 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.

BACKGROUND

This docket was initiated pursuant to petitions filed with this Commission by subscribers in the Alligator Point exchange. The petitions requested that we consider requiring implementation of extended area service (EAS) from the Alligator Point exchange to the Sopchoppy, Panacea, Crawfordville, and Tallahassee exchanges. Because the St. Marks exchange lies between these exchanges, it has been included as well to avoid "leapfrogging" of exchanges. The Alligator Point exchange is served by St. Joseph Telephone and Telegraph Company (St. Joe) and is located in the Panama City local access transport area (LATA). The Sopchoppy, Panacea, Crawfordville, St. Marks, and Tallahassee exchanges are served by Central Telephone Company of Florida (Centel) and are located in the Tallahassee Market Area (LATA).

By Order No. PSC-92-0911-PCO-TL, issued September 2, 1992, we directed the companies to perform traffic studies between these exchanges to determine whether a sufficient community of interest

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FPSC-RECORDS/REPORTING

exists, pursuant to Rule 25-4.060, Florida Administrative Code. Subsequently, the companies filed the requested information, along with requests for specified confidential classification of certain portions of the data. By Order No. PSC-92-1460-CFO-TL, issued December 16, 1992, we granted the companies' requests for confidential treatment of the interLATA traffic data.

Each of the involved exchanges currently has EAS as follows:

<u>EXCHANGE</u>	<u>ACCESS LINES</u>	<u>EAS LINES</u>	<u>EAS CALLING SCOPE</u>
Alligator Point	445	445	Appalachicola*, Carrabelle*, Eastpoint*
Crawfordville	4,160	151,790	Panacea, St. Marks, Sopchoppy, Tallahassee
Panacea	810	151,790	Crawfordville, St. Marks, Sopchoppy, Tallahassee
St. Marks	451	151,790	Crawfordville, Panacea, Sopchoppy, Tallahassee
Sopchoppy	837	151,790	Crawfordville, Panacea, St. Marks, Tallahassee
Tallahassee	145,532	160,389	Bristol, Chattahoochee**, Crawfordville, Greensboro**, Gretna**, Havana, Hosford, Monticello, Panacea, Quincy**, St. Marks, Sopchoppy

*\$.25 plan
 **\$.20 plan with 5 free call allowance

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

Alligator Point (St. Joe)

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

Crawfordville, Panacea, St. Marks,
Sopchoppy, Tallahassee (Centel)

R-1	\$ 9.65
B-1	21.75
PBX	43.50

DISCUSSION

By Order No. PSC-92-0911-PCO-TL, the companies were directed to conduct traffic studies on the exchanges affected by the petitions to determine if a sufficient community of interest exists pursuant to Rule 25-4.060. For these studies, we requested that the companies measure the messages per access line per month (M/A/M) and percentage of subscribers making one and two or more calls monthly to the exchanges for which EAS was proposed.

The one-way calling volumes on the Alligator Point to Tallahassee route are sufficient to qualify for implementation of a nonoptional plan under Rule 25-4.060. Rule 25-4.060(2) requires a calling rate of three M/A/Ms or more in cases where the petitioning exchange contains less than half the number of access lines as the exchange to which EAS is desired. The 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 EAS. Both of these requirements are met on the Alligator Point to Tallahassee route.

The traffic study indicates that the volume of calls from Alligator Point to the Panacea, Crawfordville, Sopchoppy, and St. Marks exchanges do not qualify for EAS. However, these exchanges are located between the Alligator Point and Tallahassee exchanges. We have not allowed "leapfrogging" of exchanges in other EAS cases. These exchanges already have EAS to each other and to the Tallahassee exchange. Since the Panacea, Crawfordville, Sopchoppy,

and St. Marks exchanges are already in rate group six, they would not experience an increase in rates if EAS is approved to Alligator Point.

Accordingly, we find it appropriate to require St. Joe to survey its Alligator Point subscribers for flat rate, nonoptional, two-way, toll free calling to and from the Tallahassee, Panacea, Crawfordville, Sopchoppy, and St. Marks exchanges. The rates at which the Alligator Point customers shall be surveyed are as follows:

<u>CUSTOMER CLASS</u>	<u>CURRENT RATE</u>	<u>ADDITIVE</u>	<u>NEW RATE</u>
R-1	\$ 5.90	\$ 3.25	\$ 9.15
B-1	16.15	7.85	24.00
PBX	31.15	14.85	46.00

Under this calling plan, the Alligator Point, Tallahassee, Panacea, Crawfordville, Sopchoppy, and St. Marks exchanges would receive toll free calling to and from each other. Only the rates for the Alligator Point exchange would increase; therefore, the other exchanges are not included in the survey.

The subscribers in the Alligator Point exchange shall be surveyed by St. Joe within 45 days of the date this Order becomes final. Prior to conducting the survey, St. Joe shall submit its explanatory survey letter, ballot, and proposed newspaper advertisement to our staff for approval. Following publication, St. Joe shall provide our staff with a copy of the published ad, as well as with the dates run.

If the survey of the Alligator Point customers passes, St. Joe and Centel shall then implement toll free calling between Alligator Point and the exchanges listed above within 12 months of the date of our order on survey approval. The survey shall be conducted in accordance with Rule 25-4.063, Florida Administrative Code.

In all recent EAS dockets in which calling volumes were sufficient to warrant consideration of nonoptional, flat rate, toll free calling, we have approved surveys under the 25/25 plan with regrouping. Under the 25/25 plan with regrouping, subscribers are charged two additives to their standard monthly rates. The 25/25

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additive is 25% of the rate group schedule for the number of access lines to be newly included in the exchange's calling scope. The regrouping additive is the difference in rates between the exchange's original rate group and the new rate group into which the exchange will fall with its expanded calling scope.

The 25/25 plan, however, is dependent on the existence of rate groups. This is because the formula makes use of the rate differential between rate groups to develop new EAS rates. The exchanges in St. Joe's territory do not have rate groups, but rather geographic locations with varying rates.

Since the extended calling scope in this docket is very similar to that in Docket No. 910510-TL (Liberty County), we have utilized the same rates that we ordered on the Bristol/Tallahassee, Carrabelle/Crawfordville, Carrabelle/Sopchoppy, Carrabelle/Tallahassee, and Hosford/Tallahassee routes. By using the same rates as those in Liberty County, the exchanges in St. Joe's territory with flat rate EAS to the Tallahassee exchange will all have the same local rate.

Although the percentage increase under our proposed rates may seem high, it should be noted that Alligator Point's calling scope will increase from 445 access lines to 152,235 access lines. The proposed new R-1 rates for Alligator Point are lower than Tallahassee's current R-1 rates, and the B-1 and PBX rates are slightly higher. We believe our approach to developing rates is reasonable and appropriate under the facts and circumstances that exist in this case.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the petitions filed with this Commission by subscribers in the Alligator Point exchange are 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 45 days of the date this Order becomes final, survey its subscribers in the Alligator Point exchange for 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

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ORDERED that if the survey passes, the flat rate, two-way nonoptional extended area service plan described herein shall be implemented by St. Joseph Telephone and Telegraph Company and Central Telephone Company of Florida within 12 months of the issuance date of our order on survey approval. It is further

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

ORDERED that St. Joseph Telephone and Telegraph Company shall submit a copy of its published newspaper advertisement to our staff, along with the dates run, after its publication. It is further

ORDERED that the effective date of our actions 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 8th day of March, 1993.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

ABG

by: Kay Flynn
Chief, Bureau of Records

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 29, 1993.

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.