

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

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

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

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

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

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

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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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

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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

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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. 920150-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 39% 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

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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 (LECs) 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.

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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

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(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 warrants 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

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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.

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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

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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).

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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

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

Groveland to Orlando).

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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, 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.