

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Resolution by) DOCKET NO. 940337-TL
Jacksonville City Council for) ORDER NO. PSC-96-0537-AS-TL
extended area service (EAS)) ISSUED: April 16, 1996
between the Fort George and)
Jacksonville Beach exchanges.)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
JOE GARCIA
JULIA L. JOHNSON

ORDER APPROVING SETTLEMENT

BY THE COMMISSIONERS:

This docket was initiated pursuant to Resolution No. 94-102-24 filed by the Jacksonville City Council requesting extended area service (EAS) between the Fort George exchange and the Jacksonville Beach exchange. By Order No. PSC-94-1380-FOF-TL, issued November 14, 1994, this Commission proposed to deny the request for EAS and the offering of alternative toll plans on the Fort George/Jacksonville Beach route. By Order No. PSC-95-0168-FOF-TL, issued February 7, 1995, the Commission found that letters filed by Councilman Reagan constituted a valid, timely protest to Order No. PSC-94-1380-FOF-TL.

On October 2, 1995, a formal administrative hearing and customer hearings were held in Jacksonville.

By Order No. PSC-95-1391-FOF-TL, in Docket No. 920260-TL, issued November 8, 1995, extended calling service (ECS) was implemented on the Fort George/Jacksonville Beach route on January 15, 1996.

On March 5, 1996, the Office of Public Counsel, the Jacksonville City Council and BellSouth filed a Stipulation and Agreement with this Commission. See Attachment 1. The Agreement proposes to include the Fort George exchange in the Jacksonville exchange and to require the Fort George customers to pay the same rate as customers in Jacksonville. In addition, the Agreement

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states that because this is essentially an exchange boundary amendment, all parties agree that balloting of customers under the EAS rules is unnecessary. The Agreement states that this inclusion will benefit the subscribers in the Fort George exchange by providing them with the larger calling scope of the Jacksonville exchange.

We are concerned that the local rates of the Fort George customers will increase without the benefit of those customers being balloted. Rule 25-4.063 (1), Florida Administrative Code, states that if there is any increase in rates from either regrouping or the use of a mandatory incremental charge for EAS, or both, the Commission will order a survey of all subscribers so affected. Historically, in cases where this Commission has determined that a boundary change is feasible, we have also required that the affected customers be balloted prior to a change in an exchange boundary. A ballot not only notifies the affected customers that their rates and calling scope may change but also provides them with an opportunity to vote for their preference. However, because the Public Counsel is acting on behalf of the citizens and Jacksonville City Council is representing the Fort George subscribers, we do not oppose the Stipulation and Agreement.

Under the terms of the agreement, the basic local rates of the Fort George subscribers will increase. Specifically, the residential rates increase from \$10.05 to \$10.30 for residential service, \$27.40 to \$28.00 for business service, and \$46.58 to \$47.60 for PBX service. Thus, there will be an increase of \$.25 for residential rates, \$.60 for business rates and \$1.02 for PBX rates.

This Agreement also will significantly increase the calling scope of the Fort George customers. Currently, Fort George customers only have toll-free calling to the Jacksonville exchange. If included in the Jacksonville exchange, Fort George subscribers will have toll-free calling to Baldwin, Callahan, Jacksonville Beach, Julington, Maxville, Middleburg, Orange Park, Ponte Vedra Beach and Yulee. The Fort George exchange has extended calling service ECS to the Fernandina Beach and Jacksonville Beach exchanges. The Jacksonville exchange has ECS to the Hilliard, Macclenny, Sanderson, Fernandina Beach, and St. Augustine exchanges.

It is very likely, given the small increase in local rates and the vast increase in the calling scope, that the Fort George customers would favor being included in the Jacksonville exchange. Under the Agreement, Fort George customers will be able to retain their current telephone number when moved into the Jacksonville exchange.

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We believe that the increase in rates for the Fort George customers is permissible under Chapter 364. These customers are being moved into an exchange with higher rates due to a different calling scope.

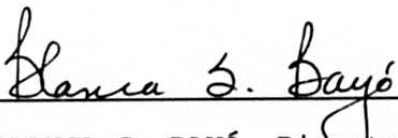
Upon consideration, we accept the Stipulation and Agreement filed by the Office of Public Counsel, the Jacksonville City Council and BellSouth.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Stipulation and Agreement filed by the Office of Public Counsel, the Jacksonville City Council and BellSouth is hereby accepted as set forth in the body of this Order. It is further

ORDERED that this docket be closed.

By ORDER of the Florida Public Service Commission, this 16th day of April, 1996.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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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.

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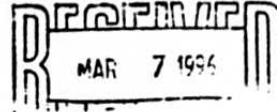
Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/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 after the issuance 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.

ATTACHMENT 1

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Resolution by)
Jacksonville City Council for)
extended area service (EAS))
between the Fort George and)
Jacksonville Beach exchanges:)

Docket No. 940337-TL
Filed:



LEGAL DIVISION

STIPULATION AND AGREEMENT

THIS STIPULATION AND AGREEMENT is entered into between the undersigned parties to this docket.

Recitals

1. This docket was initiated in response to a Resolution that was filed by the Jacksonville City Council ("City Council") to request extended area service ("EAS") between the Fort George exchange and the Jacksonville exchange. Both exchanges are served by BellSouth Telecommunications, Inc. ("BellSouth").
2. On November 14, 1994, the Florida Public Service Commission ("Commission") entered a Notice of Proposed Agency Action Order Denying Extended Area Service (Order No. PSC-94-1380-FOF-TL). That Order was subsequently protested, and the public hearing on this matter was held October 2, 1995.
3. The City Council, BellSouth and the Office of Public Counsel ("Public Counsel") have reached a reasonable resolution of issues in this proceeding.

Agreement

4. The parties hereby agree that it would be an equitable and fair solution for this matter to include Fort George in the Jacksonville exchange. This inclusion will benefit

subscribers in the Fort George exchange by providing them with the larger calling scope of the Jacksonville exchange. The present monthly rates for residential, single line business, and PBX trunk are, \$10.05, \$27.40 and \$46.58, respectively. The new rates will be \$10.30, \$28.00 and \$47.60, respectively.

5. The parties further agree that customers in the Fort George exchange would be listed in the Jacksonville directory, and they would be provided with a copy of that directory. There would be no telephone number changes for any subscribers as a result of this Agreement.
6. It is the intention of the parties to submit this Agreement to the Commission to request approval and the entry of an order that resolves this matter by accepting the Stipulation of the parties as set forth below.
7. Because the resolution of this matter is essentially an exchange boundary amendment, all parties agree that a balloting of customers under the EAS rules is unnecessary.
8. This Stipulation shall be interpreted under the laws of the State of Florida. This Stipulation is null and void unless it is accepted and approved by the Commission in its entirety. If it is not accepted in its entirety, then it shall have no binding effect upon the parties.

9. Each of the persons signing below represents that he or she has complete authority to bind the party on whose behalf they have signed.

OFFICE OF THE PUBLIC COUNSEL

BY: Jack Shreve

DATE: 2/5/96

JACKSONVILLE CITY COUNCIL

BY: A. Page
Its Counsel of Record

DATE: March 4, 1996

BELLSOUTH TELECOMMUNICATIONS, INC.

BY: Nancy H. Sims

DATE: March 5, 1996