

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Levy County) DOCKET NO. 920149-TL
Board of County Commissioners) ORDER NO. PSC-92-1350-FOF-TL
for extended area service between) ISSUED: 11/23/92
Cedar Key, Bronson, and Chiefland)
exchanges.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK
J. TERRY DEASON
BETTY EASLEY
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION
ORDER DENYING FLAT-RATE EAS, IMPLEMENTING \$.25
PLAN BETWEEN CEDAR KEY AND BRONSON, AND
CEDAR KEY AND CHIEFLAND, AND TERMINATING
CONFIDENTIALITY OF TOLL DATA

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.

On February 7, 1992, the Levy County Board of County Commissioners filed a resolution requesting implementation of Extended Area Service (EAS) from the Cedar Key exchange to the Bronson and Chiefland exchanges. All of these exchanges are within Levy County, and all are served by BellSouth Communications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell).

On June 8, 1992, we issued Order No. PSC-92-0469-PCO-TL requiring Southern Bell to conduct traffic studies on these routes. On August 7, 1992, Southern Bell filed a Request for Confidential Treatment of its intraLATA traffic study. On September 16, 1992, we issued order No. PSC-92-0999-CFO-TL granting confidential status of Southern Bell's study.

Currently, Cedar Key (rate group 1) does not have any form of flat rate EAS. It does have Optional Extended Area Service (OEAS)

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to Chiefland. Chiefland (rate group 3) has EAS to Bronson and Trenton and OEAS to Cedar Key. The Bronson exchange (rate group 3) has EAS to Archer, Chiefland and Williston and OEAS to Gainesville.

The Cedar Key/Chiefland route exhibits one-way calling volumes which would qualify for traditional EAS under our Rules; however, the percentage of customers making two or more calls on this route is below the threshold requirement for a survey for traditional flat rate EAS pursuant to Rule 25-4.060, Florida Administrative Code. The Cedar Key/Bronson route exhibited one-way calling volumes which are consistent with the calling volumes seen in other EAS requests from rural communities for calling to the county seat. Accordingly, we find it appropriate to deny any further consideration of nonoptional, flat rate, two-way EAS on these routes. However, as outlined below, we believe that it is appropriate to propose requiring that the \$.25 plan be implemented in both directions on these routes.

This proposal is consistent with our actions in similar EAS dockets with rural areas where we have ordered the \$.25 plan as an alternative to traditional EAS. Recent examples include Franklin, Gulf, Jackson, Holmes, Okaloosa and Walton Counties (with the rate subsequently reduced to \$.20 per call in all but Franklin and Gulf Counties).

The \$.25 plan has gained favor for several reasons. Among these reasons are its simplicity, its message rate structure and the fact that it can be implemented as a local calling plan on an intraLATA or interLATA basis (except Southern Bell and GTE Florida Incorporated would require a MFJ waiver for interLATA). Optional EAS plans are somewhat confusing to customers, the additives or buy-ins are generally rather high, and the take rates for most OEAS plans are rather low.

Therefore, we propose that the \$.25 plan be implemented on a two-way basis on the Cedar Key/Chiefland route and Cedar Key/Bronson route. Specifically, the \$.25 plan means that all toll traffic on these routes shall be reclassified as local and be message rated at \$.25 per message regardless of the duration of the call. These local calls shall be dialed on a seven digit basis and shall be handled by pay telephone providers as any other local call. OEAS shall be discontinued simultaneously with the implementation of \$.25 message rate between the Cedar Key and Chiefland exchanges.

In computing revenue impact, a model was developed, using 74 existing EAS routes, to predict new calling rates based on the old calling rate and the percent change in price. Using this model, an overall stimulation of 62.92% and an associated annual revenue loss of \$17,313.77 was estimated. Absent stimulation, the annual revenue loss would be \$33,566.40.

The new plan should be implemented within six months of the date this Order becomes final.

Once the \$.25 plan has been implemented, the route(s) at issue become local and no longer subject to competition. Thus, it is unnecessary to maintain the confidentiality of such routes. Since all routes are granted the \$.25 plan, it is appropriate to simply remove the traffic studies that have been identified as Document No. 08866-92 from the confidential files and place them in the regular case files.

This docket should be closed at the conclusion of the protest period if no timely protests are filed. The progress of the plan should be monitored to ensure the Southern Bell submits appropriate tariffs.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company shall implement a two-way \$.25 plan between Cedar Key and Bronson and between Cedar Key and Chiefland as outlined in the body of the Order. It is further

ORDERED that the current Optional Extended Area Service plan between Cedar Key and Chiefland should be discontinued simultaneously with the implementation of the \$.25 plan between the two exchanges. It is further

ORDERED that any protest of this Order shall be filed pursuant to the requirements set forth below. It is further

ORDERED that the traffic studies previously granted confidential status by Order No. PSC-92-0999-CFO-TL shall lose confidential status and be moved from the confidential files into the regular case files upon this Order becoming final. It is further

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ORDERED that if no protest is timely filed, this docket shall be closed and the matter monitored to ensure the filing of appropriate tariffs.

By ORDER of the Florida Public Service Commission, this 23rd day of November, 1992.



STEVE TRIBBLE, 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.

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

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Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on December 14, 1992.

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.