

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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| Barbara Beerhalter | Chair |
| Cynthia A. Kitlinski | Commissioner |
| Norma McKanna | Commissioner |
| Robert J. O'Keefe | Commissioner |
| Darrel L. Peterson | Commissioner |

In the Matter of the Request of Certain
Subscribers of the Nicollet Exchange for the
Establishment of Extended Area Service
Between the Nicollet Exchange and the
Mankato Exchange

ISSUE DATE: JUNE 7, 1988

DOCKET NO. P-421, 414/CP-86-101

In the Matter of a Proposal by Northwestern
Bell Telephone Company to Offer its
Community Calling Plan to the Nicollet
Exchange

DOCKET NO. P-421/M-88-275

ORDER CLOSING DOCKET AND
APPROVING PROPOSAL TO OFFER
COMMUNITY CALLING PLAN

PROCEDURAL HISTORY

On February 28, 1986, the Nicollet Chamber of Commerce (Chamber), on behalf of customers of Northwestern Bell Telephone Company's (NWB) Nicollet exchange, submitted a petition to the Commission for the installation of an extended area service (EAS) route between Nicollet and Mankato, Minnesota. Mankato Citizens Telephone Company (MCTC) serves the Mankato exchange.

The Minnesota Department of Public Service (DPS or the Department) then began to discuss alternatives to EAS with the Chamber. The DPS also began work on the stipulation of facts while NWB and MCTC conducted traffic studies and submitted proposed rates for the service as required by the EAS rules, Minn. Rules parts 7815.0700 through 7815.1500.

On December 7, 1987, NWB sent a letter to the Chamber indicating that upon receipt of a letter requesting withdrawal of the Nicollet-Mankato EAS petition, NWB would file a tariff to offer its Community Calling Plan in the Nicollet exchange.

On January 21, 1988, the Chamber submitted a letter to the DPS stating its desire to withdraw the EAS petition and requesting NWB's Community Calling Plan instead.

On March 9, 1988, the Department sent a letter to the Commission stating that it agreed with NWB and the Chamber that a community calling plan would better serve the needs of the Nicollet

exchange subscribers. The DPS recommended that NWB be given Commission approval to provide its Community Calling Plan in the Nicollet exchange.

On April 29, 1988, NWB submitted a request to offer the Community Calling Plan in the Nicollet exchange contingent upon the Commission approving the Nicollet petition sponsor's request to withdraw the EAS petition. The Department recommended that the Commission approve NWB's request.

FINDINGS AND CONCLUSIONS

The Commission must decide whether to approve the withdrawal of the Nicollet-Mankato EAS petition and close Docket No. P-421, P-414/CP-86-101 and whether to approve NWB's proposal to offer the Community Calling Plan in the Nicollet exchange.

The Commission notes that its staff has spoken with the Secretary of the Chamber who explained that Nicollet is midway between three larger towns, Mankato, St. Peter, and New Ulm. The Chamber believed that the Community Calling Plan would better address Nicollet's calling needs. Also, the Chamber had reviewed the rates proposed by NWB and believed that the Community Calling Plan would be better than EAS even at the lowest rate proposed for that service.

The Commission finds that although the preliminary stipulation of facts indicates that there is a large volume of traffic from Nicollet to Mankato, it is inconclusive. The stipulation does not provide a meaningful analysis of calling patterns; it does not give a breakdown of the number of calls per subscriber.

Further, the Commission finds that subscribers in the Nicollet exchange rely on communities other than Mankato for county government, commercial, employment, social centers, hospitals, and law enforcement.

The Commission recognizes that under NWB's Community Calling Plan, a customer can choose whether to subscribe to either the 1-20 mile or 1-40 mile option and thereby make calls to communities other than Mankato at the plan's tariffed rates.

Based on the petition sponsor's desire to withdraw its EAS petition in favor of the Community Calling Plan, NWB's willingness to offer Community Calling, the interest in an alternative to existing toll calling, and the information that Nicollet has some community of interest with other towns in the vicinity, the Commission concludes that it will approve the withdrawal of the EAS petition and approve NWB's proposal to offer Community Calling in the Nicollet exchange.

ORDER

1. The Commission hereby approves the withdrawal of the Nicollet-Mankato EAS petition and closes Docket No. P-421,414/CP-86-101.
2. The Commission hereby approves NWB's proposal to offer its Community Calling Plan in the Nicollet exchange.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)