

P-427, 421/CP-85-652 ORDER REQUIRING NEGOTIATIONS AND
ESTABLISHING TIME FRAMES

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson	Chair
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner
Norma McKanna	Commissioner
Patrice M. Vick	Commissioner

In the Matter of a Petition for
Extended Area Service Between
the Zimmerman Exchange and the
Minneapolis/St. Paul
Metropolitan Calling Area

ISSUE DATE: July 16, 1991

DOCKET NO. P-427, 421/CP-85-652

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ESTABLISHING TIME FRAMES

PROCEDURAL HISTORY

On September 10, 1985 certain subscribers in the Zimmerman exchange filed a petition requesting Extended Area Service (EAS) between the Zimmerman exchange and the metropolitan calling area. The Commission began examining the petition under existing EAS Rules. This examination was prolonged by two developments. First, the telephone company serving the Zimmerman exchange, Sherburne County Rural Telephone Company, filed a notice of objection, requiring contested case proceedings. Second, the Commission consolidated this petition with other petitions for EAS to the metropolitan calling area. The consolidated proceeding also went to contested case hearing.

In April 1990 the Minnesota Legislature enacted new EAS legislation, which changed the standards for evaluating EAS petitions. On June 26, 1990 the Commission issued an Order finding that the Zimmerman exchange met the adjacency and traffic requirements of the new statute. That Order also directed telephone companies serving the Zimmerman exchange and the metropolitan calling area to file cost studies and proposed rates for EAS between Zimmerman and the metropolitan calling area.

Cost studies and proposed rates were duly filed. The Department of Public Service (the Department), which examines cost studies and proposed rates prior to Commission review, requested additional time to analyze the filings, due to a backlog of EAS petitions. The Commission granted a time extension.

On May 30, 1991 the Department filed another request for a time extension. The Department stated that Sherburne County Rural Telephone Company, which serves the Zimmerman exchange, and U S WEST Communications, Inc., which serves portions of the

metropolitan calling area, were unable to agree on a "meet point" for carrying traffic along the proposed EAS route. The Department stated it could not complete its analysis of the cost studies and proposed rates until that issue had been resolved.

The matter came before the Commission on June 25, 1991.

FINDINGS AND CONCLUSIONS

The Commission agrees with the Department that meaningful analysis of cost studies and proposed rates cannot be completed until the meet point issue has been resolved. It is therefore imperative that this issue be resolved as soon as possible.

The Commission will order the companies involved in this dispute to meet as soon as possible to determine whether they can reach an agreement on the meet point. If they cannot agree, the Commission will resolve the issue. The Commission will also establish time frames for completing its examination of this petition in either case.

ORDER

1. Sherburne County Rural Telephone Company and U S WEST Communications, Inc. (the Companies) shall meet as soon as practicable and attempt to resolve the meet point issue. They shall report the results of their negotiations to the Department within 30 days of the date of this Order.
2. If the Companies reach an agreement, they shall immediately inform the Department. The following time lines will then apply:
 - a. The Companies shall submit any revised cost studies and proposed rates within 30 days of their final negotiation session.
 - b. The Department shall submit its report and recommendation within 60 days of receipt of the revised cost studies and proposed rates.
 - c. Other parties shall file any comments within 20 days of the filing of the Department's report and recommendation.

3. If the Companies do not reach an agreement, they shall immediately inform the Department. The following time lines will then apply:
 - a. The Companies shall submit written explanations of their positions to the Department within 45 days of the date of this Order.
 - b. The Department shall submit a report and recommendation on the meet point issue within 30 days of receipt of the second Company's filing.
 - c. Other parties shall file any comments within 20 days of the filing of the Department's report and recommendation.
4. Any cost studies and proposed rates filed in response to this Order shall be based on the requirements of Minn. Stat. § 237.161, subds. 2 and 3 (1990).
5. The Department's report and recommendation on any cost studies and proposed rates filed in response to this Order shall address their compliance with Minn. Stat. § 237.161 (1990) and shall include a recommendation on the rates to be used in subscriber polling.
6. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)