

P-405, 421/CP-91-503 ORDER REQUIRING FURTHER FILINGS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm	Chair
Tom Burton	Commissioner
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner
Norma McKanna	Commissioner

In the Matter of a Petition for
Extended Area Service from the
Arlington Exchange to the
Gaylord Exchange

ISSUE DATE: May 21, 1992

DOCKET NO. P-405, 421/CP-91-503

ORDER REQUIRING FURTHER FILINGS

PROCEDURAL HISTORY

On July 8, 1991, subscribers in the Arlington exchange filed a petition for extended area service (EAS) to the Gaylord exchange. Arlington is served by Vista Telephone Company (Vista); Gaylord is served by US WEST Communications, Inc. (US WEST).

On November 20, 1991, the Commission issued its ORDER DENYING PETITION AND CLOSING DOCKET in the above-captioned docket. In that Order the Commission found that the Arlington and Gaylord exchanges were adjacent and thus met the first criterion of the EAS statute, Minn. Stat. § 237.161:

The petitioning exchange is contiguous to an exchange or local calling area to which extended area service is requested in the petition.

In the November 20 Order the Commission also found that the proposed EAS route failed to meet the traffic requirement of Minn. Stat. § 237.161:

At least 50 percent of the customers in the petitioning exchange make one or more calls per month to the exchange or local calling area to which extended area service is requested, as determined by a traffic study.

The Commission therefore ordered the docket closed.

On December 11, 1991, the petition sponsor, the City of Arlington, filed a request that supplemental traffic studies be submitted for the months of September, October and November, 1991.

On January 22, 1992, the Commission issued its ORDER REOPENING DOCKET AND REQUIRING FURTHER FILINGS. In that Order the

Commission reopened the docket to allow the filing of the supplemental traffic studies. The Commission required Vista to submit traffic studies for the requested three months, or for 12 months if such data were available.

On February 4, 1992, Vista filed supplemental monthly traffic studies for 1991. The studies revealed that in each month of 1991 at least 50 percent of the customers in the Arlington exchange placed one or more calls per month to the Gaylord exchange.

The matter came before the Commission for consideration on May 12, 1992.

FINDINGS AND CONCLUSIONS

The Commission has previously found that the proposed Arlington/Gaylord EAS route meets the adjacency requirement of Minn. Stat. § 237.161. The Commission now finds that the route fulfills the traffic criterion of the EAS statute. The revised traffic studies show that at least 50 percent of the customers in the petitioning exchange make one or more calls per month to the petitioned exchange.

The proposed rate for the EAS route must be available to customers before the third criterion of the EAS statute can be addressed:

Polling by the commission shows that a majority of the customers responding to a poll in the petitioning exchange favor its installation, unless all parties and the commission agree that no polling is necessary.

The Commission will therefore require that Vista and US WEST file cost studies and proposed rates for the proposed Arlington/Gaylord EAS route. Because the Commission has the discretion of allocating between 50 and 75 percent of the costs to the petitioning exchange, the telephone companies must file two sets of costs. One set should reflect a 75%/25% cost apportionment between Arlington and Gaylord; the other set of costs should reflect a 50%/50% cost apportionment between the exchanges.

ORDER

1. On or before 60 days of the date of this Order, Vista and US WEST shall file cost studies and proposed rates for the

Arlington/Gaylord EAS route pursuant to the requirements in the body of this Order. The two companies shall file cost studies which have consistent parameters and which cover the same time period.

2. Within 45 days of the filing of the cost studies and proposed rates, the Department of Public Service (the Department) shall file a report and recommendation. In the report the Department shall state the rate changes that would be required by its recommendation for each of the two sets of cost studies and proposed rates.
3. Interested parties who wish to file comments shall do so within 20 days of the Department's filing.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)