

P-407, 421/CP-91-247; P-407, 421/CP-91-247; P-501, 421/CP-90-357;
P-421/CP-91-487; P-407, 421/CP-91-246; P-407, 421/CP-89-105; P-
421/CP-91-185; P-421/CP-91-186; P-421/CP-91-187; P-421/CP-91-249;
P-421, 407/CP-87-747; P-407, 421/CP-90-777 ORDER GRANTING TIME
EXTENSIONS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm
Cynthia A. Kitlinski
Dee Knaak
Norma McKanna

Chair
Commissioner
Commissioner
Commissioner

In the Matter of a Petition for
Extended Area Service From the
Askov Exchange to the Sandstone
Exchange

ISSUE DATE: March 13, 1992
DOCKET NO. P-407, 421/CP-91-247

In the Matter of a Petition for
Extended Area Service From the
Bena Exchange to the Cass Lake
and Bemidji Exchanges

DOCKET NO. P-501, 421/CP-90-357

In the Matter of a Petition for
Extended Area Service from the
Braham Exchange to the Mora
Exchange

DOCKET NO. P-421/CP-91-487

In the Matter of a Petition for
Extended Area Service From the
Finlayson Exchange to the
Sandstone Exchange

DOCKET NO. P-407, 421/CP-91-246

In the Matter of a Petition for
Extended Area Service From the
Nickerson Exchange to the Askov,
Carlton, and Moose Lake
Exchanges

DOCKET NO. P-407, 421/CP-89-105

In the Matter of a Petition for
Extended Area Service from the
Hinckley Exchange to the Pine
City, Mora, and Sandstone
Exchanges

DOCKET NOS. P-421/CP-91-185
P-421/CP-91-186
P-421/CP-91-187

In the Matter of a Petition from
the Sandstone Exchange for
Extended Area Service to the
Hinckley Exchange

DOCKET NO. P-421/CP-91-249

In the Matter of the Petition
for Extended Area Service From
Iron Trail United Communities

DOCKET NO. P-421, 407/CP-87-747

In the Matter of a Petition for
Extended Area Service From the
Tower Exchange to the Virginia,
Ely, and Embarrass Exchanges

DOCKET NO. P-407, 421/CP-90-777

ORDER GRANTING TIME EXTENSIONS

PROCEDURAL HISTORY

On February 26, 1992, U S West Communications, Inc. (USWC) filed a notice with the Commission that it intended to refile proposed rates for the dockets joined in this Order within 30 days.

On March 10, 1992, the Commission met to consider this matter.

FINDINGS AND CONCLUSIONS

U S West Communications, Inc. (USWC) has filed or is due to file cost studies and proposed rates for the routes involved in the eleven dockets joined in this Order. All the studies and proposed rates that USWC has filed in these matters are inaccurate because USWC used an incorrect factor when converting minutes of use to call seconds when it calculated its costs and proposed rates.

USWC's error affects not only its filings but also the proposed rates filed by the other affected telephone companies, GTE Minnesota (GTE) and Arrowhead Communications, Inc. (Arrowhead).

Setting reliable rates to be included on the EAS ballots depends on accurate cost studies. The Commission regrets this delay but will take the time necessary to proceed on a sound basis. The Commission will expedite the review of these cases, however, by establishing a different time tracks for the two major groupings of these routes.

For routes not involving another telephone company and therefore not requiring adjusted cost studies and proposed rates by any other company, the Commission will grant USWC 30 days from its February 26, 1992 filing. Upon receipt of this corrected information, the Department will be able to begin its analysis of these filings at once and file its reports and recommendations on them within 45 days.

However, for routes involving other telephone companies, correction of USWC's error will necessitate responsive filings from the affected telephone companies which could further delay these proceedings. Therefore, the Commission will not grant USWC's full time extension request regarding these dockets. For these dockets, the Commission will require USWC to serve corrected cost studies on affected telephone companies within 21 days of its February 26, 1992 filing. The affected telephone companies, then, will have 15 days to make corresponding adjustments to their cost studies and file them, along with their revised proposed rates, with the Commission. The Commission will require USWC to file revised rates based on its corrected cost studies at the same time, i.e. on or before April 2, 1992.

This two track process will allow the Department to proceed with its analysis of the cost studies and proposed rates for routes where USWC is the only affected telephone company as soon as these revisions are ready for review. Later, when the revised information is filed for routes involving other telephone companies, the Department can turn its attention to those routes.

In its review of these filings, the Department may feel it needs further information from USWC to prepare its reports and recommendations. If so, in a further effort to minimize the delay occasioned by USWC's initial error, the company will be required to answer the Department's information requests within 5 days after receiving them.

Finally, the filing dates set for these filings are outer limits. The parties are encouraged to make their filings as soon as possible to expedite these matters.

ORDER

1. On or before March 27, 1992 for each route which does not involve another affected telephone company, U S West Communications, Inc. (USWC) shall
 - a. file a revised cost study and proposed rates; and
 - b. serve a copy of the filing on the Department and the petition sponsor.
2. On or before March 19, 1992 for each route involving another affected telephone company, USWC shall serve a revised cost study on every such affected telephone company.
3. On or before April 2, 1992, GTE-Minnesota (GTE) and Arrowhead Communications, Inc. (Arrowhead) shall
 - a. file with the Commission revised costs and proposed rates for routes in which they are affected telephone companies; and
 - b. serve copies of such filings on the Department, any other affected telephone company for that route, and the sponsor of the petition that proposed that route.
4. On or before April 2, 1992, USWC shall
 - a. file with the Commission the revised cost studies and proposed rates for the routes that involve another affected telephone company; and
 - b. serve copies of these filings on the Department and the petition sponsor.

5. Revised rates filed pursuant to Ordering Paragraphs 1-4 shall include two schedules: one in which the petitioning exchange recovers 50% of the revenue requirement for the proposed EAS route and one in which the petitioning exchange recovers 75% of the revenue requirement for such route.
6. GTE and USWC shall file revised cost studies and proposed rates reflecting the combinations of petitioned routes and petitioning routes established in the Commission's September 17, 1991 Iron Trail Order in Docket No. P-421, 407/CP-87-747.
7. Within 45 days after receiving the revised cost studies and proposed rates required by this Order, the Department shall file its reports and recommendations thereon and serve copies on the affected telephone companies and the petition sponsor.
8. In its reports and recommendations filed pursuant to Ordering Paragraph 7, the Department shall set forth the rate changes that would be required by its recommendations both for the schedule that assigns 50% of the costs to the petitioning exchange and for the other schedule that assigns 75% of such costs to the petitioning exchange.
9. USWC shall answer the Department's information requests within 5 working days after receiving them.
10. Any comments on the Department's reports and recommendations shall be filed within 20 days after the Department's filing.
11. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)