

P-421, 407, 430/CP-93-50 ORDER CLOSING PORTION OF DOCKET AND
REQUIRING COST STUDIES AND PROPOSED RATES

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 New
Richland to Waseca and Ellendale

ISSUE DATE: April 20, 1993

DOCKET NO. P-421, 407, 430/CP-
93-50

ORDER CLOSING PORTION OF DOCKET
AND REQUIRING COST STUDIES AND
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PROCEDURAL HISTORY

On January 25, 1993, subscribers in the New Richland exchange submitted a petition requesting extended area service (EAS) to the Waseca exchange and to the Ellendale exchange. New Richland is served by United Telephone Company (United); Waseca is served by US WEST Communications, Inc. (US WEST); Ellendale is served by GTE Minnesota.

United filed traffic data for the proposed EAS routes on March 23, 1993.

The matter came before the Commission for consideration on April 13, 1993.

FINDINGS AND CONCLUSIONS

Minn. Stat. § 237.161 establishes three criteria for a successful petition for EAS:

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

3. 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 has examined the area maps and finds that New Richland is adjacent to Waseca and to Ellendale. The first criterion of the EAS statute has thus been met for both proposed EAS routes.

The traffic study filed by United shows that 67% of the subscribers in New Richland place one or more calls per month to Waseca; 41% of New Richland subscribers place one or more calls per month to Ellendale. The traffic volume between New Richland and Waseca is thus sufficient to fulfill the traffic criterion under the EAS statute; the traffic volume between New Richland and Ellendale petition is not sufficient to meet this criterion. Because the New Richland/Ellendale petition has failed to meet the traffic criterion of the EAS statute, the Commission will order the portion of the docket which refers to New Richland/Ellendale closed. The portion of the docket which refers to the New Richland/Waseca petition will proceed to the polling of subscribers. In order for subscribers to be fully informed before they respond to the EAS poll, the telephone companies serving New Richland and Waseca must submit traffic studies and proposed rates. United's and US WEST's traffic studies and proposed rates must include alternative cost allocations between the petitioning/petitioned exchange of 75%/25%, 60%/40%, and 50%/50%.

ORDER

1. The portion of the docket pertaining to the proposed New Richland/Ellendale EAS route is closed.
2. Within 60 days of the date of this Order, United and US WEST shall file cost studies and proposed rates for the proposed New Richland/Waseca EAS route. The proposed rates shall include alternative cost allocations between New Richland and Waseca of 75%/25%, 60%/40%, and 50%/50%.
3. Within 45 days of the filing date of cost studies and proposed rates under the above requirement, the Department shall file a report and recommendation. If the Department recommends changes, the Department shall file new proposed rates assuming cost allocations of 75%/25%, 60%/40%, and 50%/50%.
4. Parties who wish to file responses to the Department's

report shall do so within 20 days of the filing of the Department's report.

5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)