

P-421, 430, 407, 405, 426, 520/CP-93-1049 ORDER FINDING ADJACENCY
AND SUFFICIENT TRAFFIC VOLUME AND REQUIRING THE FILING OF COST
STUDIES AND PROPOSED RATES

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm	Chair
Tom Burton	Commissioner
Marshall Johnson	Commissioner
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner

In the Matter of a Petition for
Extended Area Service from Red
Wing to the Twin Cities
Metropolitan Calling Area

ISSUE DATE: February 3, 1994

DOCKET NO. P-421, 430, 407, 405,
426, 520/CP-93-1049

ORDER FINDING ADJACENCY AND
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PROCEDURAL HISTORY

On October 22, 1993, customers in the Red Wing exchange filed a petition seeking extended area service (EAS) to the Twin Cities Metropolitan Calling Area (MCA). The Red Wing exchange is served by US WEST Communications, Inc. (US WEST).

On December 6, 1993, US WEST filed its traffic study results.

On December 8, 1993, the Department of Public Service (the Department) filed a letter stating that the statutory traffic volume requirement is met.

The matter came before the Commission for consideration on January 18, 1993.

FINDINGS AND CONCLUSIONS

The EAS statute, Minn. Stat. § 237.161 states that the Commission shall grant an EAS petition when the following criteria have been met:

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

2. 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; and
3. 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.

Official area maps show that the Red Wing exchange is adjacent to the Hastings exchange of the MCA. The petition therefore fulfills the adjacency requirement of Minn. Stat. § 237.161.

US WEST's traffic data show that more than 50% of Red Wing customers place one or more calls per month to the MCA. This petition therefore fulfills the traffic volume criterion of the EAS statute.

The petition process will now continue toward polling of Red Wing customers. The Commission will require the telephone companies serving Red Wing and the MCA to submit cost studies and proposed EAS rates for the polling.

In recent decisions¹ the Commission has found that 4.0 is a reasonable stimulation factor for EAS petitions to the MCA. The Commission finds that the facts in this case are sufficiently similar to the aforementioned cases to render a 4.0 stimulation factor reasonable. The Commission will require the telephone companies submitting cost studies to include a stimulation factor of 4.0 in their data.

ORDER

1. Within 75 days of the date of this Order, US WEST, United, GTE, Vista, Scott Rice Telephone and Eckles Telephone shall file cost studies and proposed rates for EAS between Red Wing and the MCA. The rates shall be based on similar parameters, including a traffic stimulation factor of 4.0, and similar time frames. US WEST shall also file its proposed lower priced alternative.

¹ In the Matter of the Petitions of Belle Plaine, Cologne, New Prague and Waconia for Extended Area Service to the Minneapolis/St. Paul Metropolitan Calling Area, Docket Nos. P-405, 421/CP-86-55; P-407 et al./CI-90-441; P-520, 421/CP-86-537; P-430, 421/CP-86-5, ORDERS APPROVING STIMULATION FACTOR FOR SETTLE UP FILING (January 27, 1994).

2. Within 45 days after the above cost studies and proposed rates are filed, the Department shall file its report and recommendations. Any party wishing to file comments regarding the Department's report shall do so within 20 days of its filing.
3. If any party recommends changes to the cost studies or proposed rates, that party shall file proposed rates reflecting the recommendations.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)