

P-407, 421/CP-90-777; P-407, 421/CP-89-105 ORDER PARTIALLY
GRANTING REQUEST FOR RECOVERY OF POLLING COSTS

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 Tower
to Virginia, Embarrass, and Ely

ISSUE DATE: FEBRUARY 10, 1994
DOCKET NO. P-407, 421/CP-90-777

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

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

ORDER PARTIALLY GRANTING REQUEST
FOR RECOVERY OF POLLING COSTS

PROCEDURAL HISTORY

On October 20, 1990, customers in the Tower exchange filed a petition requesting extended area service (EAS) to the Virginia, Ely, and Embarrass exchanges.

On February 21, 1989, customers in the Nickerson exchange filed a petition requesting EAS to the Askov, Carlton, and Moose Lake exchanges.

GTE serves the Tower and Nickerson exchanges.

Of the EAS routes sought in the petitions, only the Tower-Virginia and Nickerson-Moose Lake routes had sufficient traffic volume to support an EAS petition. A majority of customers in the Tower and Nickerson exchanges voted in favor of EAS and the polling results were certified on May 5, 1993. The Commission ordered GTE to implement EAS in the Tower-Virginia and Nickerson-Moose Lake routes.

On December 9, 1993, GTE requested authority to recover its balloting costs of \$1.76 per access line in the Virginia and Nickerson exchanges.

The Department of Public Service (the Department) submitted comments regarding the Nickerson petition on January 10, 1994, and regarding the Tower petition on January 12, 1994. The

Department recommended allowing recovery of the nonrecurring charges, less the amount of return postage costs.

The matter came before the Commission on February 1, 1994.

FINDINGS AND CONCLUSIONS

The Commission first addressed the recovery of EAS polling costs in a January 25, 1991 Order.¹ In that Order the Commission adopted guidelines for setting EAS rates in four petitions seeking EAS to the Twin Cities metropolitan calling area (the MCA).

In the January 25, 1991 Order the Commission stated that it would conduct the polling of subscribers in the petitioning exchanges which had voted in favor of EAS. The Commission would then bill the telephone companies serving those exchanges to recover Commission polling expenses. Minn. Stat. § 237.295, subd. 2.

The Commission stated that the telephone companies had a right to seek recovery of their assessed polling costs from their customers. On the other hand, the Commission noted that part of the EAS legislation precludes recovery of postage charges from customers. Minnesota Laws, Chapter 513, Section 2, which addresses EAS petitions to the MCA, states in part as follows:

The commission shall then conduct a poll of the customers in each exchange. The ballot or questionnaire sent to each customer must clearly identify the rate that would be charged to customers in that exchange if the exchange becomes part of the metropolitan extended service area and must be returnable to the commission, **at no cost to the customers**, within 60 days of the date the ballot or questionnaire was mailed.

Emphasis supplied.

The Commission therefore permitted the companies to recover all their polling costs, except the postage necessary to return the EAS ballots to the Commission, in a one-month surcharge.

The Commission finds that costs should be recovered in the same

¹ Docket Nos. P-405, 421/CP-86-55; P-520, 421/CP-86-537; P-421, 407/CP-87-536; P-407, 421, 430, 405, 426/CI-90-440, ORDER ADOPTING GUIDELINES FOR EXTENDED AREA SERVICE RATES FOR THE BELLE PLAINE, NEW PRAGUE, WATERTOWN AND NEW GERMANY EXCHANGES AND VARYING TIME FOR FILING FOR RECONSIDERATION.

manner in this docket. Although this is a non-metro petition, the Commission has the discretion to apply the reasoning from the EAS law to arrive at just and reasonable rates. Deducting return postage from the Company's polling cost recovery will comply with the only legislative guidance regarding postage costs.

The Commission will grant GTE's request to recover its balloting costs, but will require the Company to deduct the cost of return postage for the ballots. This will result in a one-time charge of \$1.54 for the Tower exchange and a one-time charge of \$1.57 for the Nickerson exchange.

Because this one-time charge will not be readily understood by telephone customers, the Commission will require GTE to send an explanation of the charge in a customer notice.

ORDER

1. GTE is authorized to assess a one-time charge of \$1.54 for each Tower customer and \$1.57 for each Nickerson customer.
2. GTE shall include an explanation of the one-time charge in a customer notice. The proposed notice shall be submitted to the Executive Secretary for approval at least 30 days prior to the implementation date of the nonrecurring charge.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)