

February 9, 1996

DOCKET NO. P-565, 430, 421/CP-91-167

ORDER RESCINDING BUSINESS LMS/EAS ADDITIVE FOR THE VILLARD
EXCHANGE

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Joel Jacobs
Tom Burton
Marshall Johnson
Dee Knaak
Don Storm

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of a Petition for Extended Area Service among the Starbuck, Glenwood, and Villard Telephone Exchanges

ISSUE DATE: February 9, 1996

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PROCEDURAL HISTORY

On March 8, 1991, subscribers in the Starbuck, Glenwood, and Villard exchanges filed a petition for extended area service (EAS) among the three exchanges.

On November 7, 1995, after subscribers were polled regarding the proposed EAS routes, the Commission issued its ORDER CERTIFYING POLLING RESULTS. In that Order, the Commission certified that Villard customers had voted in favor of EAS to Glenwood. The Commission ordered United Telephone Company (United), which serves Villard, to implement the approved EAS route within 12 months of the Order and to file any request for recovery of non-recurring charges at least 120 days before the date of EAS implementation.¹

On January 8, 1996, United filed a letter requesting approval to rescind the Villard EAS rate additive of \$1.10 for local measured service (LMS) trunks.

On February 6, the Commission met to consider this request.

¹ Subsequent action with respect to the non-recurring charge issue is as follows: on January 23, 1996, following United's timely proposal for recovery of non-recurring costs (December 1, 1995) and receipt of the Department's comments (December 8, 1995), the Commission issued its ORDER APPROVING RECOVERY OF NON-RECURRING COSTS.

FINDINGS AND CONCLUSIONS

In support of its request to eliminate the \$1.10 per month EAS rate additive for its LMS customers, United stated that this change would allow Villard's customers a lower cost alternative and would be consistent with United's LMS rates in its other outstate EAS routes.

The Commission will approve this change in United's EAS rate structure. United's arguments in favor of the change are sound and it appears that the Company will be able to recover the EAS revenue requirement associated with its LMS customers through usage charges alone. The Company will be directed to modify its EAS rates and tariffs accordingly.

In addition, the Commission notes that United has filed a proposed customer notification that includes the \$1.10 LMS trunk rate. Since implementation of the Villard-Glenwood EAS route is not scheduled until April 1, 1996, this Order will allow the Company 1) to avoid charging the \$1.10 rate and 2) to modify its customer notice in time to avoid any customer confusion on that point.

ORDER

1. United's request to rescind the Villard EAS rate additive of \$1.10 for Local Measured Service (LMS) trunks is granted.
2. Within 10 days of this Order, the Company shall file EAS rates, tariffs, and a proposed customer notification consistent with the change approved in this Order.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

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