

ISSUE DATE: August 31, 1995

DOCKET NO. P-426, 405/SA-94-444

ORDER APPROVING PETITION SEEKING BOUNDARY CHANGE

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm	Chair
Tom Burton	Commissioner
Joel Jacobs	Commissioner
Marshall Johnson	Commissioner
Dee Knaak	Commissioner

In the Matter of a Matter of a Joint Petition for a Boundary Change between Frontier’s Jordan Exchange and Scott-Rice’s Prior Lake Exchange

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PROCEDURAL HISTORY

On May 9, 1994, Frontier Communications of Minnesota (Frontier) and Scott-Rice Telephone Company, Inc. (Scott-Rice) submitted a joint petition seeking Commission approval of a service area boundary revision. The boundary between Frontier’s Jordan exchange and Scott-Rice’s Prior Lake exchange currently intersect the residential properties of six Frontier customers; the proposed boundary would be placed at the center of the street which the properties face. The six customers would remain within Frontier’s service territory. The companies hope that a more definite and easily identifiable boundary will prevent service area confusion as the surrounding territory is developed.

On May 4, 1995, the Department of Public Service (the Department) filed comments.

On May 15, 1995, Frontier and Scott-Rice filed reply comments.

The matter came before the Commission for consideration on August 22, 1995.

FINDINGS AND CONCLUSIONS

I. POSITIONS OF THE PARTIES

In its filed comments, the Department recommended that the Commission approve the joint petition, with one modification. The Department noted that one of the six affected customers had telephoned the Department, indicating interest in taking service from Scott-Rice, rather than Frontier, following the boundary adjustment. The Department therefore recommended that the boundary line be drawn to move this customer from Frontier’s service territory to Scott-Rice’s.

Frontier and Scott-Rice opposed the Department's proposed modification. The telephone companies stated that accommodating the sole customer would cause Frontier a \$450 loss on its new investment in the area, and would necessitate an investment by Scott-Rice of approximately \$3,300 to serve one customer.

At the August 22, 1995, meeting, the Department indicated that it no longer opposed the proposed boundary adjustment, which would include all six current Frontier customers in Frontier's service territory. The Department explained that the one customer who had telephoned the Department regarding the possibility of receiving service from Scott-Rice had not proceeded to contact Scott-Rice regarding service. Neither had the customer responded further to any of the notices of the proposed boundary adjustment.

II. COMMISSION ACTION

The Commission agrees with the Department that the proposed service area boundary adjustment should be approved. Establishing the service area boundary along an existing street, rather than through residential lots, will provide certainty and clarity to the boundary situation. It will prevent confusion and possible service disputes between service providers as the area is further developed. The proposed boundary will also make the service area maps more comprehensible to the public.

Allowing the boundary line to follow the existing service arrangements, rather than adjusting the line for one customer, will prevent undue and unnecessary cost for the telephone companies.

The rights of the six affected customers have been fully protected, as they have received notice of each phase of the boundary adjustment proceeding. The six customers will not be inconvenienced by the adjustment, as their service provider and telephone numbers will remain the same. No customer has filed comments or expressed opposition to the boundary adjustment.

The Commission notes that moving the boundary to the street will in effect eliminate the six customers' choice of carriers, because their properties will no longer lie within two service territories. Because the Commission has a policy of expanding consumer choice where possible, the Commission has traditionally allowed customers whose properties are bisected by service boundaries to choose their providers. In this case, however, the Commission finds that the benefits of the boundary adjustment outweigh the benefits of customer choice. The Commission also notes that the six customers have not been placed at a disadvantage, since at this time most telephone customers have an assigned local service provider.

III. MAP REVISION

During its investigation of this proceeding, Commission Staff discovered an error on the boundary maps of this area. Although the maps show a Lydia exchange between the Jordan exchange and the Prior Lake exchange, Lydia has always been and continues to be part of the Jordan exchange. The Commission will therefore require Frontier and the Department to work together to revise the boundary maps to reflect the fact that Lydia and Jordan comprise one exchange.

ORDER

1. The Commission approves the May 9, 1995, joint petition filed by Frontier and Scott-Rice.
2. Frontier and the Department shall work together to revise the boundary maps to reflect the fact that Lydia and Jordan comprise one exchange.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)