

ISSUE DATE: February 17, 1998

DOCKET NO. P-413, 407, 405, 430, 426/CP-88-856

DOCKET NO. P-413, 520, 421,430,407,405, 426/CP-89-187

ORDER ALLOWING RECOVERY OF NON-RECURRING COSTS AND WAIVING
CUSTOMER NOTICE

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Edward A. Garvey
Joel Jacobs
Marshall Johnson
LeRoy Koppendrayner
Gregory Scott

Chair
Commissioner
Commissioner
Commissioner
Commissioner

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In the Matter of the Petition of Certain
Subscribers in the Montrose Exchange for
Extended Area Service to the Minneapolis/
St. Paul Metropolitan Calling Area

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88-856

In the Matter of the Petition of Certain
Subscribers in the Waverly Exchange for
Extended Area Service to the Minneapolis/
St. Paul Metropolitan Calling Area

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PROCEDURAL HISTORY

On July 29, 1997, the Commission issued its ORDER CERTIFYING POLLING RESULTS AND DIRECTING IMPLEMENTATION for both Montrose (Docket No. P-413, 407, 405, 430, 426/CP-88-856) and Waverly (Docket No. P-413, 520, 421,430,407,405, 426/CP-89-187). Ordering Paragraph 6 of that Order directed Lakedale to conduct a poll of its Montrose and Waverly customers to determine individual customers' choice of EAS calling plans. Ordering Paragraph 7 directed Lakedale to send a final customer notice to its Montrose and Waverly customers one month before the implementation of EAS. Ordering Paragraph 8 allowed Lakedale to request recovery of non-recurring balloting costs.

On December 11, 1997, Lakedale requested approval of its customer ballots and informational brochure and waiver of the final customer notice requirement.

On December 15, 1997, Lakedale submitted its request for recovery of non-recurring balloting costs. Lakedale included with its request proposed customer notices explaining the non-recurring charge.

On December 17, 1997, the Minnesota Department of Public Service (the Department) submitted its report and recommendation regarding Lakedale's request for recovery of non-recurring balloting costs.

The Commission met to consider this matter on February 10, 1998.

FINDINGS AND CONCLUSIONS

I. LAKEDALE'S PROPOSAL: COST RECOVERY AND WAIVER OF NOTICE

A. Cost Recovery

Lakedale proposed to recover non-recurring EAS balloting costs through a one-time charge of \$1.82 per access line. The Department reviewed Lakedale's request for recovery of non-recurring balloting costs and recommended that the Commission allow Lakedale to recover the proposed costs.

B. Waiver of Notice

Lakedale stated that it plans to implement EAS between Montrose, Waverly and the MCA on April 28, 1998. In advance of this implementation, Lakedale is required by Ordering Paragraph 6 of the July 29, 1997 Order to determine each individual customer's choice of EAS calling plans, i.e., flat rate EAS versus the lower cost alternative. Ordering Paragraph 6 requires Lakedale to conduct this poll approximately two months before it implements EAS and report the results of the balloting to the Department and the Commission.

Lakedale stated that it would mail the ballots to its customers on March 1, 1998, with return requested by March 20, 1998. Lakedale's ballot and the informational brochure both note the start date and the informational brochure describes the dialing procedures and other relevant details of EAS.

In light of the proximity of the balloting dates to that of the implementation date, Lakedale argued that the Commission should waive the final customer notice requirement. No party objected to Lakedale's request for a waiver.

II. COMMISSION ANALYSIS AND ACTION

The Commission has reviewed the proposed charge and the customer notices and finds them to be in accordance with previous EAS practice. Therefore, the Commission will authorize the requested recovery.

Regarding the Company's waiver request, the Commission finds it reasonable and will grant it. In light of the proximity of the balloting dates to that of the implementation date, additional notice is not necessary.

The Commission clarifies, however, that the remaining directives in the Commission's July 29, 1997 Order remain in effect, including Ordering Paragraph 6 which, among other things, directs Lakedale to poll its Montrose and Waverly customers approximately two months before it implements EAS to determine each individual customer's choice of EAS calling plans, i.e., flat rate EAS versus the lower cost alternative and report the results of the balloting to the Department and the Commission.

ORDER

1. Lakedale is hereby authorized to recover \$1.82 per access line for the non-recurring balloting costs. Lakedale may deliver the customer notice either as a bill message or as a bill insert at the time the charge appears on the customer's account.
2. The requirement of Ordering Paragraph 7 of the Commission's July 29, 1997 Order in these matters is waived: Lakedale will not be required to send a final customer notice to its Montrose and Waverly customers. All other directives of the Order remain in effect.
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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