

**BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

**Gregory Scott  
Edward A. Garvey  
Marshall Johnson  
LeRoy Koppendrayer  
Phyllis A. Reha**

**Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner**

**In the Matter of a Petition for Extended  
Area Service from the Blooming Prairie  
Exchange to the Austin Exchange**

**ISSUE DATE: June 8, 2001**

**DOCKET NO. P-407, 421/CP-00-1336**

**ORDER REQUIRING COST STUDIES  
AND PROPOSED RATES**

**PROCEDURAL HISTORY**

**On October 5, 2000, telephone subscribers in the Blooming Prairie exchange filed a petition seeking extended area service (EAS) to the neighboring Austin exchange. The Blooming Prairie exchange is served by Citizens Telecommunications of Minnesota (Citizens); the Austin exchange is served by Qwest Corporation.**

**On November 17, 2000, Citizens filed a traffic study showing that, on average, more than 50% of Blooming Prairie subscribers make at least three calls per month to the Austin exchange. On November 21, 2000, the Department of Commerce filed comments recommending that the Commission order the affected telephone companies to file cost studies and proposed rates for an EAS route between Blooming Prairie and Austin.**

**On June 5, 2001, the matter came before the Commission.**

**FINDINGS AND CONCLUSIONS**

**I. The Legal Standard**

**Extended area service is a service arrangement permitting neighboring telephone exchanges to become a single local calling area with toll-free calling. The criteria for establishing EAS routes and the procedures for determining EAS costs were set by Commission Orders**

following an industry-wide fact-finding and policymaking proceeding.<sup>1</sup> Briefly, these criteria and procedures are as follows:

- (1) A petitioning exchange must be adjacent to the exchange or local calling area to which it seeks EAS.
- (2) At least 50% of subscribers in the petitioning exchange must make at least three calls per month to the exchange or local calling area to which EAS is sought.
- (3) The companies serving the two exchanges or local calling areas must determine the cost of installing and operating the proposed EAS route, using Commission-approved costing methods, and file proposed rate additives to recover these costs.
- (4) The Commission must poll subscribers in the petitioning exchange on whether they want EAS at the rates adopted by the Commission.
- (5) If 50% of the subscribers responding to the poll vote yes, the EAS route must be installed.

## **II. Commission Action**

The proposed Blooming Prairie/Austin EAS route meets threshold traffic and adjacency requirements; the two exchanges are adjacent, and traffic studies show that in a typical month more than 50% of Blooming Prairie subscribers make three or more calls to the Austin exchange. The Commission will therefore require the cost and rate information necessary to poll Blooming Prairie subscribers on whether they want EAS to the Austin exchange.

The Commission will require the information within 90 days, followed by two reply comment periods. When the record is complete, the Commission will establish rates for the proposed route and poll Blooming Prairie subscribers on whether they want EAS at those rates.

The Commission will so order.

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<sup>1</sup> **In the Matter of an Investigation into the Appropriate Local Calling Scope, in Accordance with Minn. Stat. § 237.161, Docket No. P-999/CI-94-296, ORDER REACTIVATING THE PROCESSING OF EAS PETITIONS (October 24, 1995) and ORDER AFTER RECONSIDERATION (February 23, 1996).**



**ORDER**

1. **Within 90 days of the date of this Order, Citizens Telecommunications of Minnesota and Qwest Corporation shall file cost studies on the cost of installing and operating the proposed EAS route.**
2. **Within 90 days of the date of this Order, Citizens Telecommunications of Minnesota and Qwest Corporation shall file proposed rates for the proposed EAS route, with each company recovering its own costs.**
3. **Citizens Telecommunications of Minnesota and Qwest Corporation shall provide any supporting information requested by Commission staff or Department of Commerce staff.**
4. **The comment period on the companies' filings shall be 60 days from the date of the last company's filing.**
5. **The reply comment period shall be 20 days from the last day of the comment period established in paragraph 4.**
6. **The Commission delegates to the Executive Secretary the authority to vary the time periods established in this Order.**
7. **This Order shall become effective immediately.**

**BY ORDER OF THE COMMISSION**

**Burl W. Haar  
Executive Secretary**

**(S E A L)**

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