

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Gregory Scott	Chair
Edward A. Garvey	Commissioner
Marshall Johnson	Commissioner
LeRoy Koppendrayner	Commissioner
Phyllis A. Reha	Commissioner

In the Matter of a School District Extended
Area Service Petition Among the Exchanges of
Middle River, Greenbush, Strathcona, and
Gatzke

ISSUE DATE: December 3, 2001

DOCKET NO. P-409, 432/CP-97-1756

ORDER CERTIFYING POLLING RESULTS
AND ORDERING IMPLEMENTATION

PROCEDURAL HISTORY

On December 10, 1997, telephone subscribers in the Middle River, Greenbush, Strathcona, and Gatzke exchanges filed a petition for School District Extended Area Service (EAS) between these four exchanges. These exchanges make up the Greenbush-Middle River School District, Independent School District No. 2683. The Gatzke exchange is served by Garden Valley Telephone Company (Garden Valley); the other three exchanges are served by Wikstrom Telephone Company (Wikstrom).

On November 16, 1998, the Commission issued its ORDER REQUIRING THE FILING OF COST STUDIES AND PROPOSED RATES. Among other things, that Order found that the petition met threshold requirements of adjacency and school district residency. The Order required the incumbent local exchange carriers serving the four exchanges to determine the costs of installing and operating the proposed EAS route and to file proposed rate additives that would recover these costs. The Commission would then poll the exchanges' subscribers to determine whether they wanted EAS at those rates.

The companies duly filed their cost studies and proposed rate additives.

On February 17, 2000, the Department of Commerce (the Department) filed comments on the companies' filings. Other comments were filed by Minnesota Independent Coalition (MIC) on October 6, 2000. Garden Valley and Wikstrom filed rely comments.

On April 25, 2001, the matter came before the Commission. All parties were present. The Residential Utilities Division of the Office of the Attorney General appeared on behalf of residential ratepayers. Donna Nelson, a member of the Greenbush-Middle River School Board who serves as its legislative liaison, appeared on behalf of petitioners.

On May 25, 2001, the Commission issued its ORDER SETTING EAS RATE ADDITIVES AND REQUIRING POLLING.

Polling of telephone subscribers in the Gatzke, Greenbush, Middle River and Strathcona exchanges took place between September 12 and October 29, 2001.

The Commission met on November 20, 2001 to consider this matter.

FINDINGS AND CONCLUSIONS

The third and final EAS standard that the Gatzke petition must meet is subscriber support, i.e. more than half of the polled subscribers in each exchange must favor implementation of the proposed EAS.

The polling results for Gatzke, Greenbush, Middle River and Strathcona School District EAS are as follows:

Voting Exchange	Petitioned Exchange(s)	Res. EAS Rate	Bus. EAS Rate	% Voting	Yes		No	
					#	%	#	%
Gatzke	School District EAS	\$2.62	\$4.15	67.2	51	63.75	29	36.25
Greenbush	School District EAS	\$2.62	\$3.88	55.7	334	67.5	161	32.5
Middle River	School District EAS	\$2.62	\$3.88	67.3	234	81.25	54	18.75
Strathcona	School District EAS	\$2.62	\$3.88	68.8	63	66.3	32	33.7

The polling results (which the Commission hereby certifies) show that a majority of the subscribers in each exchange who voted favored the proposed EAS.

Accordingly, the Commission will approve the Gatzke, Greenbush, Middle River and Strathcona School District EAS route and require the affected telephone companies (Garden Valley and Wikstrom) to implement the service in their respective exchanges within 12 months of this Order.

In addition, the Commission will require the affected telephone companies to inform their subscribers using notices approved by the Commission, as set forth more specifically in the Ordering Paragraphs, to submit any requests for recovery of non-recurring costs at least 120 days before the planned implementation dates, and to file conforming tariffs at least 30 days before implementation of the EAS.

ORDER

1. The Commission hereby certifies the results of polling conducted in this matter and reported herein, as set forth in the text of this Order.
2. The Commission approves the EAS route proposed in this matter, the Gatzke, Greenbush, Middle River and Strathcona School District EAS route.
3. Within 12 months of this Order, the affected telephone companies for this route (Garden Valley and Wikstrom) shall implement the service in their respective exchanges.
4. Within 60 days of this Order, Garden Valley and Wikstrom shall coordinate the implementation of EAS in their respective exchanges (Gatzke, Greenbush, Middle River and Strathcona) and file implementation schedules. If, for some reason, the implementation schedules change, the companies shall immediately notify the Commission and explain the reason(s) for the change(s).
5. Within 10 days of the date of this Order, Garden Valley and Wikstrom shall file for approval by Commission staff the first of two proposed customer notices to their customers in the Gatzke, Greenbush, Middle River, and Strathcona exchanges. The first notice must list the results of the polling, the EAS additives and the proposed implementation date (s). After receiving Commission staff approval, the Companies shall serve the notice in the first possible billing cycle in their respective exchanges.
6. Garden Valley and Wikstrom shall send a second (final) Commission approved notice to their customers in the Gatzke, Greenbush, Middle River, and Strathcona exchanges by bill insert or separate billing. The final notices shall describe the service, instruct customers on dialing, list the additional monthly rates, the date of implementation and any other pertinent information. The companies shall issue notices one month before they implement EAS.
7. At least 120 days before the planned implementation dates, Garden Valley and Wikstrom shall make any requests for recovery of non-recurring costs. The Department shall have 30 days to comment on the proposed charges.

8. Garden Valley and Wikstrom shall file tariff sheets reflecting Commission Orders that establish the rates and terms for EAS for the Gatzke, Greenbush, Middle River, and Strathcona exchanges (School District EAS). The tariff sheets must be filed at least 30 days before implementation of EAS, whereupon this docket (P-409, 432/CP-97-1756) will be closed.
9. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

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