

CR 82-244

1-AC-52

CERTIFICATE

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STATE OF WISCONSIN)
) ss.
PUBLIC SERVICE COMMISSION)

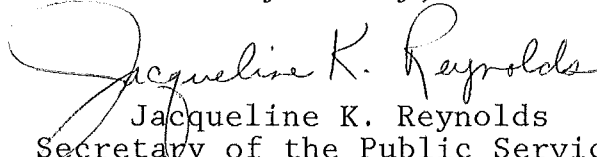
JUN 8 1983
3:15
Revisor of Statutes
Bureau

TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Jacqueline K. Reynolds, Secretary of the Public Service Commission of Wisconsin, and custodian of the official records of said commission, do hereby certify that the annexed order creating Wis. Adm. Code section PSC 167 (secs. 167.01 to 167.10) was duly approved and adopted by this commission on May 26, 1983.

I further certify that said copy has been compared by me with the original on file in this commission and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the commission at the Hill Farms State Office Building, in the City of Madison this 31st day of May, 1983.


Jacqueline K. Reynolds
Secretary of the Public Service
Commission of Wisconsin

8-1-83

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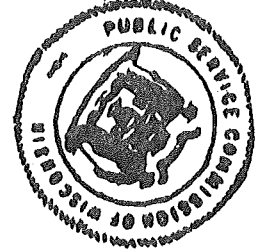
BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

DATE MAILED
JUN 1 1983

COMPARED WITH AND CERTIFIED BY ME
TO BE A FULL, TRUE AND CORRECT COPY
OF THE ORIGINAL ON FILE IN MY OFFICE
MAY 26 1983
Jacqueline K. Reynolds
Secretary to the Commission
Public Service Commission of Wisconsin

Rules Governing Consideration of)
Petitions for Extended Area) 1-AC-52
Telephone Service)



ORDER OF THE PUBLIC SERVICE
COMMISSION ADOPTING RULES

To create ch. PSC 167 (Secs. 167.01 to
167.10) regarding consideration of petitions for extended area
telephone service.

ANALYSIS PREPARED BY THE PUBLIC
SERVICE COMMISSION OF WISCONSIN

The Public Service Commission hereby adopts rules
governing consideration of petitions for extended area telephone
service. Extended area telephone service (EAS) allows customers
to place calls to persons in a different exchange without
incurring long distance charges.

Historically the commission has considered EAS petitions
on a case-by-case basis, examining such factors as the adequacy of
present service, cost of providing the new service, and the
community of interest existing between the exchanges involved.
(See Seebach v. Public Service Commission, 97 Wis. 2d 712, 295
N.W. 2d 753 (1980), Winch v. Public Service Commission, 96 Wis. 2d
362, 291 N.W. 2d 448 (1980), and PSC orders cited in these cases.)
Such consideration has resulted in the denial of each EAS request
from 1972 to 1979. In April of 1979, the commission initiated a

proceeding in docket 05-TV-7 for the purpose of considering and developing a standard process for dealing with EAS requests. In that docket, the commission rejected the options of prohibiting all new EAS arrangements and of phasing out all existing EAS arrangements, deciding instead to develop rules under which requests for EAS will be processed.

The rules proposed herein establish a step-by-step procedure for the processing of EAS requests and specify certain criteria which must be met in order for the process to continue. Failure to meet any of the established criteria would terminate the process at that point. Such a process will enhance consistency and equity and will provide for a reasonably timely and efficient consideration of EAS requests without incurring the costs and time delays attendant to proceedings in which ultimate EAS approval is unlikely.

The proposed rules accomplish the following:

(1) Explain the purpose of the chapter: to set forth criteria for consideration of EAS petitions and to require customers receiving new EAS to bear its costs.

(2) Define terms used throughout the rules such as extended area service, metroplan, and community of interest.

(3) Set forth the required contents of an EAS petition, procedures for challenging the validity of a petition, and the requirement that the petition must be signed by at least 10 % of customers in the exchange from which extended area service is

requested. Petitions may also be submitted by telephone utilities.

(4) Set forth procedures for conducting a traffic study, economic study and customer survey of the need for or desirability of extended area service.

If a study of the message traffic between exchanges indicates that customers in at least one of the exchanges average not fewer than five messages per month per customer to the other exchange and that at least 50% of the customers of one exchange place not fewer than three messages per month to the other exchange, an economic study must be conducted by the utilities involved.

The purpose of the economic study is to determine the additional revenue requirement necessary to provide the requested EAS and the rate increments for each customer class necessary to meet that additional cost. The rules also set forth procedures for allocating revenue requirement among exchanges. Customers in each exchange are then surveyed to determine their willingness to pay the additional cost.

If at least 50 % of the customers in either exchange respond favorably to the customer survey, a hearing will be held on the petition. Otherwise the requested EAS need not be considered for two years.

(5) Provide for a hearing if customers respond favorably to the survey with the commission then would consider whether or not to grant the petition on the basis of such factors as adequacy of present telephone service between the exchanges,

cost of the proposed service, and community of interest between the exchanges.

(6) Include petitions for Milwaukee metroplan as being subject to these rules.

(7) Provide for a variance from rules in special situations for exchanges serving less than 10,000 access lines.

Hearing on the proposed rules was held January 26, 1983.

PROPOSED RULES
STATUTORY AUTHORITY

Pursuant to authority vested in the Public Service Commission by Chapter 196 and s. 227.014(2)(a), and by s. 196.02(1) and s. 196.02(3), Wis. Stats., the commission adopts Chapter PSC 167 as follows:

Chapter PSC 167
EXTENDED AREA TELEPHONE SERVICE

167.01 PURPOSE. The purpose of this chapter is to set forth requirements for consideration of petitions requesting extended area telephone service and to require customers receiving new extended area service to bear the costs of such service.

167.02 DEFINITIONS.

(1) "Community of Interest" means that customers of one exchange have substantial telecommunication requirements with respect to another exchange, as determined by the measurable use of communications services between the exchanges and by such factors as the location of schools, medical services, shopping and civic, cultural and social agencies and organizations and the like.

(2) "Extended Area Telephone Service"

means telephone service in which customers in one exchange may call customers in another exchange or combination of exchanges without incurring toll charges.

(3) "Metroplan" means the contiguous exchanges in and around Milwaukee currently served by either metroplan or metrozone service as provided by the Wisconsin Telephone Company tariff, and any future additions thereto.

167.03 PETITION; CONTENTS. A petition for extended area telephone service shall be filed with the commission and shall contain:

(a) The name of the telephone utility serving the petitioners' exchange;

(b) The name of the telephone utility serving the exchange or exchanges with which extended area service is desired;

(c) The name, address and telephone number of a representative selected by the petitioners to whom notices, orders, and other correspondence may be sent;

(d) The name, address, telephone number and signature of each petitioner. There shall be no more than one petitioner per billing number. If the petitioner is a business customer, the signature shall be that of an authorized agent or representative;

(e) A statement that the petitioners desire extended area service for the named exchange or exchanges.

167.04 PETITION; PROCEDURAL PROVISIONS; CHALLENGE.

(1) The representative designated in the petition shall certify that the signatures on the petition are valid.

(2) Petitioners shall serve a copy of the petition on the telephone utility serving their exchange and on the telephone utility serving the exchange or exchanges with which extended area telephone service is requested.

(3) Copies of the petition for extended area telephone service shall be kept on file for inspection during the pendency of the request at the commission and at the telephone utilities.

(4) Any person wishing to challenge the validity of a petition for extended area telephone service may do so by filing a written protest with the commission identifying the grounds for the challenge within 30 days of the filing of the petition.

167.05 PETITION; CRITERIA FOR CONSIDERATION.

(1) The commission shall consider a petition meeting the requirements of s. PSC 167.03 only if the petition is signed by at least 10% of the customers in the exchange from which extended area telephone service is requested.

(2) The commission shall also consider a request for extended area telephone service if submitted by a telephone utility providing service in an exchange for which extended area telephone service is requested. Such a request shall be treated as a petition for purposes of ss. 167.06 to 167.10.

167.06 TRAFFIC STUDY.

(1) If a petition meets the requirements of s. 167.05, the commission shall direct the utilities involved to undertake a study of representative traffic between the exchanges for which extended area service is requested. To warrant further examination of extended area service, the traffic study must indicate that:

(a) The customers in at least one of the exchanges place an average of not fewer than five messages per month, per customer, to the exchange with which extended area service is requested; and

(b) 50% of the customers in at least one of the exchanges place not fewer than three messages per month to the exchange with which extended area service is requested.

(2) If the criteria of paragraphs (1)(a) and (1)(b) are not met, the commission shall deny the petition for extended area service. The commission need not consider a petition for extended area service between the same exchanges for two years from the date of denial.

(3) The commission may waive or vary the provisions of this section of the rules in special or unusual situations involving requests for extended area service where none of the involved exchanges serves more than 10,000 access lines.

167.07 ECONOMIC STUDY.

(1) If the criteria of s. PSC 167.06(1)(a) and (b) are satisfied, the commission shall direct the telephone utilities to conduct and submit to the commission an economic study of the requested extended area service. The study shall contain information from which the commission can determine the additional revenue requirement for each exchange necessary to provide the requested service and the rate increments for each class of customer necessary to meet the additional revenue requirement.

(2) Revenue requirements shall be allocated among exchanges in recognition of the ratio of the calling volume data (on a per customer basis) obtained from the traffic studies. In cases where the ratio is greater than 10:1, all revenue requirement shall generally be allocated to the exchange from which the larger calling volume originates. In cases where one-way service is being considered all revenue requirement shall generally be allocated to the exchange that would be provided with the service.

167.08 CUSTOMER SURVEY.

(1) Subsequent to the determination of rate increments necessary to provide the requested extended area service, or reasonable variations of the requested service, the commission shall direct the utilities to conduct a survey of customer willingness to pay the necessary rate increments. The survey shall be approved by the commission and distributed to all customers who would experience a rate increase if the petition for extended area telephone service is granted.

(2) Unless at least 50% of the customers in one of the surveyed exchanges respond favorably to the requested service, or to a variation of the requested service, the petition shall be denied, and the commission need not consider any petition for extended area telephone service between those exchanges for two years.

167.09 HEARING.

(1) If at least 50% of the customers in one of the exchanges surveyed in accordance with s. PSC 167.08 respond favorably to the requested extended area service at the proposed rate increment, the commission shall hold a public hearing to consider whether the petition should be granted.

(2) In determining whether to grant or deny the petition for extended area telephone service, the commission shall consider such factors as adequacy of existing telephone service between the exchanges, costs and benefits of the proposed service and community of interest between the exchanges.

167.10 METROPLAN. If the petition requests Milwaukee metroplan telephone service, the commission may consider the entire metroplan area to which extended area service is requested, or a variation thereof, as one exchange.


There will be no fiscal impact of the proposed rules on the state or municipalities.

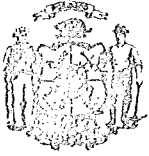
The proposed rules were forwarded to the legislature for review pursuant to s. 227.018, Wis. Stats. The rules were modified after legislative consultation, with the modifications

approved by the legislative committees. The rules will take effect on the first day of the month following publication in the Wisconsin Administrative Register, as provided in s. 227.026, Wis. Stats.

This section is classified as a Type IV action according to PSC 2.90(4), Wis. Adm. Code. It is consequently presumed to require neither an environmental impact statement under s. 1.11, Wis. Stats., nor an environmental assessment. No special circumstances have been brought to the commission's attention which would disturb this presumption.

Dated at Madison, Wisconsin, May 26, 1983
By the Commission.


Jacqueline K. Reynolds
Secretary to the Commission



State of Wisconsin \ PUBLIC SERVICE COMMISSION

May 31, 1983

TO: The Person Addressed

FROM: Jacqueline K. Reynolds *JKR*

RE: 1-AC-52 Errata.

NESS FLORES, CHAIRMAN
STANLEY YORK, COMMISSIONER
BRANKO TERZIC, COMMISSIONER
4802 SHEBOYGAN AVENUE
P.O. BOX 7854
MADISON, WISCONSIN 53707
(608) 266-2001

File No.

Enclosed is a corrected copy of the Commission's order in docket 1-AC-52. The number on pages 4 and 7 has been corrected to 10,000.

JKR:SL:se

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