

CHAPTER 7815
PUBLIC UTILITIES COMMISSION
INTER-EXCHANGE CALLING

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7815.0100 DEFINITIONS.

Subpart 1. **Scope.** In addition to the applicable definitions in Minnesota Statutes, sections 237.01 and 237.02 and part 7810.0100, the following definitions apply to this chapter.

Subp. 2. **Commission.** "Commission" means the Public Utilities Commission.

Subp. 3. **Community calling plan.** "Community calling plan" means an optional service that allows the origination of toll calling at a fixed charge for an initial block of time per billing period and a unit charge for increments of time in a billing period beyond the initial block. A community calling plan may be proposed by a telephone company on its own initiative or after a petition by customers or upon an order from the Public Utilities Commission after public meeting.

Subp. 4. **Extended area service.** "Extended area service" means inter-exchange calling for which a message toll charge is not assessed.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

7815.0200 PURPOSE AND AUTHORITY.

It is hereby declared to be in the public interest that the Public Utilities Commission adopt rules to govern inter-exchange calling within the state of Minnesota in order to provide the flexibility required to meet the needs of the customers who reside within the various telephone exchanges; to reflect the geographical boundaries of individual customer calling patterns; to reflect the individuals' community of interest; to offer customers fair and economical rates consistent with the customers' needs; and to most efficiently utilize telephone facilities. These rules are adopted pursuant to the commission's rulemaking authority found in Minnesota Statutes, section 237.10, and the commission's authority to require telephone companies to charge just and reasonable rates and to furnish reasonably adequate service and facilities, Minnesota Statutes, section 237.06; to regulate the connection and disconnection between the exchange of one telephone company and the toll lines of another telephone company, Minnesota Statutes, section 237.12; and to regulate the construction of duplicating lines or equipment used for local, rural, or toll telephone service, Minnesota Statutes, section 237.16.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

COMMUNITY CALLING PLANS

7815.0300 PETITION FOR COMMUNITY CALLING PLAN.

Customers in an exchange who desire a community calling plan shall file a petition with the Department of Public Service. A copy of the petition shall be served on the telephone company which serves that exchange. The petition shall be on a form supplied by the department. Blank forms shall be available from the department and in the offices of all telephone companies. The petition shall include:

- A. the name of the telephone company that serves the exchange;
- B. the name of the exchange and the principal city in the exchange;
- C. the name, address, and telephone number of the person representing petitioners to whom correspondence and commission orders shall be sent;
- D. the name, address, and telephone number of each person signing the petition; and
- E. a statement that the signing customers request the community calling plan for their exchange.

The petition shall be signed by 15 percent or more of the customers or 200 customers, whichever is less, in the petitioning exchange. There shall be only one signature per customer account. In the case of a business customer, a duly authorized agent or representative must sign. The sponsor of the petition shall certify that the signatures on the petition are valid and comply with parts 7815.0300 to 7815.0600.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

7815.0400 FILING OF TARIFF.

Within 30 days of service of the petition, the telephone company serving the exchange shall file with the commission a tariff that contains a community calling plan suitable to meet the needs of the petitioning exchange. The telephone company may request that the tariff be effective immediately on commission approval. The tariff shall be reviewed by the commission as a miscellaneous tariff filing. A telephone company may initiate a community calling plan without being petitioned by filing a tariff that complies with parts 7815.0500 and 7815.0600. The tariff shall be reviewed by the commission as a miscellaneous tariff filing.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

7815.0500 CONTENTS OF PLAN.

The community calling plan shall provide during each billing period for an initial block of time and increments thereof at a rate below the rate that would occur for the existing toll schedule. The community calling plan shall not exceed 40 miles in radius, as measured between central basing points, i.e., the vertical and horizontal coordinates of rate centers and exchanges in each exchange, unless the commission finds in writing that the public need requires or that the community of interest exists in an area with a larger radius. If the central basing point is within the radius described here, all of the exchange shall be included in the community calling plan. The community calling plan shall not be limited to a specific direction, unless the commission finds in writing that the public need requires or the community of interest is limited to less than a 360-degree arc, but exchanges located within 40 miles of a metropolitan district central basing point may be offered a point-to-point calling plan. "Metropolitan district" means the exchange service areas for Duluth, St. Paul-Minneapolis, Rochester, or St. Cloud, as found on the service area maps filed at the department. "Point-to-point" means calling central basing points in less than a 360-degree arc. The community calling plan shall apply to residential and business customers. The commission shall authorize different rates for

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residential and business customers if the commission finds it just and reasonable based upon the existing rate relationship between the two classes of service.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

7815.0600 SETTLEMENT AGREEMENTS.

Settlement agreements between Northwestern Bell Telephone Company and all operating telephone companies that settle on a cost basis shall be revised to recognize the level of revenue generated by each message which qualifies for the community calling plan. The commission shall review each revised settlement agreement to determine whether the agreement accurately reflects the revenue impact of the community calling plan upon the telephone companies involved and approve those agreements which are just and reasonable. In determining whether an agreement is just and reasonable, the commission shall consider:

- A. duration of qualifying messages;
- B. number of qualifying messages;
- C. expenses related to processing qualifying messages;
- D. length of haul of qualifying messages; and
- E. revenues generated by qualifying messages.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

EXTENDED AREA SERVICE

7815.0700 PETITION FOR EXTENDED AREA SERVICE.

Customers that desire installation or removal of extended area service from an exchange shall file a petition with the Department of Public Service. A copy shall be served on the telephone company that serves the exchange and on the telephone company that serves the exchange to which the installation or removal of extended area service is desired. The petition shall be on a form supplied by the department. Blank forms shall be available from the department and in the offices of all telephone companies. The petition shall include:

- A. the name of the telephone company serving the petitioners' exchange;
- B. the name of the telephone company serving the exchange to which the installation or removal of extended area service is desired;
- C. the name of each exchange and the principal city in each exchange;
- D. the name, address, and telephone number of the person representing the petitioners to whom correspondence and the commission's order shall be sent;
- E. the name, address, and telephone number of each person signing the petition; and
- F. a statement that the signing customers desire to have extended area service either installed or removed from the named exchanges.

The petition shall be signed by 15 percent or more of the customers or 600 customers, whichever is less, in the petitioning exchange. There shall be one signature per billing number. In the case of a business customer, a duly authorized agent or representative must sign. The sponsor of the petition shall certify that the signatures on the petition are valid and comply with parts 7815.0700 to 7815.1500. The petition shall be kept on file and made available to the public at the department and in the local exchange office of the telephone companies. Anyone who wishes to challenge the validity of the signatures on the petition shall file a written protest, and shall identify the grounds therefor with the department within 30 days of service of the petition. Copies of the protest shall be sent to the petition sponsor and to the telephone companies. The commission and the telephone companies shall use customer billing records to check the validity of the signatures.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

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7815.0800 TRAFFIC STUDY.

The telephone company serving the petitioning exchange shall conduct a telephone traffic study between the exchanges for which the installation or removal of extended area service is proposed, unless other, equally reliable traffic study data is presently available. Centralized Message Data System (CMDS) data may be considered acceptable traffic study data. The traffic study shall be filed with the department within 45 days of the date of service of the petition. The commission shall grant an extension of time upon a finding that appropriate CMDS data, or other reliable data, is presently unavailable.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

7815.0900 TARIFF FILING.

Subpart 1. Filing proposed rates. Within 50 days of the date of service of the petition, the telephone companies shall file with the department tariffs that contain the proposed rates for the exchanges if extended area service is installed or removed and either a statement of intention to install or remove the extended area service if the commission should order them to do so or a notice of objection to installation or removal of extended area service. The commission shall grant an extension of time upon a finding that the company is unable to collect and compute the information required for a tariff filing within the 50-day time limit without undue hardship.

Subp. 2. Basis of rates. The proposed rates shall be based on the company's statewide average embedded book cost to provide or savings due to removal of the service. The cost or savings shall be determined using the ratio of the company's statewide average embedded book cost to current cost applied to the current engineering cost of furnishing extended area service over the specific route.

The cost of providing or the savings from removing extended area service over the petitioned route shall be divided equally between the exchanges involved unless the commission determines that an alternative cost apportionment is fair and reasonable, based upon part 7815.1000, items A to G and K.

The cost or savings shall be apportioned among the customers in an exchange so that the relationship between the rates for the classes of service remains the same.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

7815.1000 STIPULATION OF FACTS.

Within 60 days of the date of service of the petition, the staff of the department of public service and the telephone companies serving the exchanges in question shall enter into a stipulation of facts, which shall contain information upon which the commission can base a determination of whether the public interest requires installation or removal of the extended area service. The stipulation of facts, no single one of which shall be dispositive, shall contain the following information:

- A. the results of the traffic study;
- B. the cost study based on the embedded book cost;
- C. the proposed rates if extended area service is installed or removed;
- D. the size of the exchanges involved;
- E. the location of government, commercial, employment, and social centers for persons living within the petitioning exchange;
- F. the location of schools and school districts serving the petitioning exchange;
- G. the location of medical, emergency medical, law enforcement, and fire protection services serving the petitioning exchange;

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H. if installation is desired, the additional facilities that will need to be installed and the existing facilities that will be utilized and that will no longer be utilized;

I. if removal is desired, what facilities will no longer be useful or reuseable for other services;

J. when ordered by the commission, the results of any informational polling of the subscribers in one or both exchanges; and

K. the average monthly toll billings per main station over the proposed route.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

7815.1100 PUBLIC MEETING.

Within five days of receipt of the stipulation, the commission shall schedule a public meeting. The public meeting shall be conducted no later than 45 days after the stipulation is received by the commission.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

7815.1200 HEARING.

The petition shall be assigned to the Office of Administrative Hearings for contested case hearing if within ten days after the public meeting: either company files a notice of objection to the installation or removal of extended area service as requested by the petition; or ten percent or more of the customers or 100 customers, whichever is less, in at least one affected exchange file a notice of objection with the commission or the commission finds that such a number of customers appeared at the public meeting and gave notice of their objection to the installation or removal of extended area service as sought in the petition.

The staff of the department and the telephone companies shall establish a record before the administrative law judge which includes the information required under the stipulation of facts. The record may be established by a stipulation of facts or by testimony and exhibits containing the necessary information. Comments mailed to the administrative law judge shall become part of the record.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

History: *L 1984 c 640 s 32*

7815.1300 NOTICE.

In addition to notice required by statute or the rules of the Office of Administrative Hearings, the telephone companies serving the exchanges shall give notice of the public meeting or hearing to all customers in the affected exchanges by billing insert and publication in the legal newspapers of the county seat towns in the counties in which the exchanges involved are located. The customers shall be given a minimum of ten days' notice of the public meeting or hearing. The notice shall contain an explanation of the proposed installation or removal plan, the proposed rate, the time, date, and location of the public information meeting or hearing, statement that comments may be sent by mail to the commission or the administrative law judge, and the address of the Public Utilities Commission or Office of Administrative Hearings.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

History: *L 1984 c 640 s 32*

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7815.1400 FINAL ORDER OF THE COMMISSION.

If a contested case hearing is not necessary, the final order of the commission shall be issued within 30 days of the public meeting. If a contested case hearing is held, the commission will issue a final order within 60 days after receipt of the report of the administrative law judge. The commission shall order the installation or removal of extended area service if it finds that such an action is required by the public interest.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*

History: *L 1984 c 640 s 32*

7815.1500 REPETITIONING.

The commission shall not order the removal of extended area service within five years of installation nor shall the commission consider a petition for installation of extended area service sooner than two years after denying a previous petition for installation of extended area service between the same two exchanges.

Statutory Authority: *MS s 237.06; 237.10; 237.12; 237.16*