

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
Jefferson City

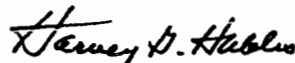
May 13, 1987

CASE NO. TO-85-191

W.R. England, Attorney at Law, P.O. Box 456, Jefferson City, MO 65102
Manuel Holmes, President, Kingdom Telephone Company, Auxvasse, MO 65231
Donald Heidebrecht, United Telephone Company, P.O. Box 1024, Jefferson City, MO 65102
J. Richard Smith, General Counsel, United Telephone Company of Missouri, 6666 West 110th
Street, Overland Park, KS 66211
Donald A. Laune, Route One, 408 Ken-Larr, Holts Summit, MO 65043
Office of Public Counsel, P.O. Box 7800, Jefferson City, MO 65102

Enclosed find certified copy of ORDER in the above-numbered case.

Sincerely,



Harvey G. Hubbs
Secretary

uncertified copy:

Tony Higgenbotham, Route 1, Box 1571-A, Holt Summit, MO 65043

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 13th
day of May, 1987.

Case No. TO-85-191

In the matter of the request for extended
area service between the Tebbetts exchange
served by Kingdom Telephone Company to the
Jefferson City exchange served by United
Telephone Company of Missouri.

ORDER

Upon receipt of a petition signed by one hundred twenty-seven (127)
subscribers of the Tebbetts exchange (Tebbetts) served by Kingdom Telephone Company
(Kingdom) requesting one-way Extended Area Service (EAS) from the Tebbetts exchange
to United Telephone Company's (United) Jefferson City exchange (Jefferson City), the
Commission instituted this case pursuant to Commission Rule 4 CSR 240-30.030 (Rule).

On February 28, 1985, the Commission ordered Kingdom to perform a calling
usage study to determine if a sufficient community of interest existed to justify
further consideration of the request. The results of the study were filed in May,
1985. The calling study indicated that the volume of traffic met the requirements of
the Rule. Therefore, the Commission ordered Kingdom and United to perform a cost
study to determine the economic feasibility and the rate adjustment necessary to
implement the one-way EAS. Pursuant to orders of the Commission cost studies and
revisions thereof were filed in October, 1985 and July, 1986.

In August and September, 1986, pleadings were filed concerning the issue of
whether lost toll revenues should be considered in setting the additive to be charged
for the EAS service in question. The Office of the Public Counsel (OPC) moved that
the Commission exclude from consideration in setting the EAS additive the loss the
company experiences in switching a route from toll service to EAS.

By Order issued January 15, 1987, the Commission denied the motion of the OPC and directed Kingdom to conduct a postcard survey of its customers in the Tebbetts exchange during April, 1987, on the proposed one-way EAS from said exchange to Jefferson City at the rate established by the cost study of \$8.45 for residential customers and \$12.65 for business customers.

On January 30, 1987, the Commission issued an Order denying the OPC's application for rehearing on the matter of including in the additive the effect of loss toll revenue.

On February 13, 1987, the Commission approved the format of the letter of explanation and postcard ballot to be sent to the customers in Tebbetts during the month of April, 1987.

On February 27, 1987, the Commission was notified that the OPC was seeking writs of review and mandamus in the Circuit Court of Cole County on the issue of whether loss toll revenues should be considered in setting the additive for EAS in this case. On March 9, 1987, the Commission was informed that the Circuit Court of Cole County had quashed the writ of review and denied the writ of mandamus sought by the OPC.

On March 20, 1987, the Commission issued its Report and Order in Case No. TO-86-8 establishing measured extra-exchange calling on a prospective and experimental basis. In said Order, the Commission directed that the experiment include the Tebbetts exchange should the vote on EAS fail.

The Commission's EAS rule states:

"If at least sixty (60) percent of a minimum of one third (1/3) of the customers of those exchanges, as of the date of the election, vote in favor of establishing EAS at the determined rate, the Commission will order it implemented."

By its memorandum of May 4, 1987, the Commission's Telecommunications Staff (Staff) indicated that 75% of the Tebbett's customers participated in the survey by returning their ballots to the Commission. Of these 66.1% voted in favor of

establishing EAS from the Tebbetts exchange to the Jefferson City exchange at the determined rate. 33.9% voted in opposition to establishing said EAS. In its memorandum the Staff recommended that the Commission direct Kingdom to establish the one-way EAS approved by the customers in the Tebbetts exchange.

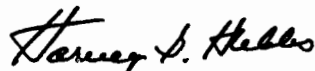
Based on the foregoing, the Commission determines that one-way EAS should be established from the Tebbetts exchange of Kingdom to the Jefferson City exchange of United at the determined rate of \$8.45 for residential customers and \$12.65 for business customers. The Commission further determines that said service should be established by Kingdom and United on or before July 14, 1987.

It is, therefore,

ORDERED: 1. That Kingdom Telephone Company and United Telephone Company of Missouri are directed hereby to establish one-way Extended Area Service from the Tebbetts exchange of Kingdom Telephone Company to the Jefferson City exchange of United Telephone Company of Missouri at the designated additive of \$8.45 for residential customers and \$12.65 for business customers on or before July 14, 1987.

ORDERED: 2. That this Order shall become effective on the date hereof.

BY THE COMMISSION



Harvey G. Hubbs
Secretary

(S E A L)

Steinmeier, Chm., Musgrave,
Mueller and Hendren, CC.
Fischer, C., Absent.

O'Donnell / Coffey

CASE NO. TO-85-191

WZS

Chairman

C.M.

Commissioner

G. G.

Commissioner

CBH

Commissioner

JMC

Commissioner

absent

5/13

EI-02/82

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original
on file in this office and I do hereby certify the same to be
a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission
at Jefferson City, this 13th day of May, 1987.

Harvey G. Hubbs

Harvey G. Hubbs

Secretary