

Montana Public Service Commission
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PSC TO CONSIDER RATE OPTIONS FOR ADDING WEST GLACIER
 TO FLATHEAD VALLEY LOCAL CALLING AREA

The Public Service Commission is considering rate alternatives proposed by U S West Communications and PTI Communications under which extended area telephone service, or EAS, could be provided to add West Glacier to the existing Flathead Valley local calling area.

EAS expands local calling areas. With EAS, all customers' phone calls within their EAS region are local calls, not long-distance calls.

West Glacier is served by US West, while PTI serves the Flathead Valley. Both companies have proposed increases in their customers rates in order to recover EAS implementation costs and revenue that would be lost if local calling was provided between West Glacier and the Flathead Valley.

PTI proposed increasing its customers' rates by 14 cents per month. US West proposed the same three alternative EAS rate proposals that are currently being considered by the PSC for seven other proposed EAS regions. They are:

Increase local rates by the same amount for all customers in all US West exchanges in which EAS is approved. Under this option, customers in US West's EAS exchanges, including West Glacier, would pay an extra \$2.62 per month.

Increase local rates based on the total number of lines EAS makes available for local calling. Under this proposal, West Glacier customers would pay an extra \$3.22 per month, which is the amount proposed for EAS regions with more than 45,000 total lines available for local calling.

Increase local rates based on the number of additional lines made available by EAS to an individual exchange for local calling. Under the four variations of this alternative and depending on the PSC's decision, West Glacier customers' extra monthly charge would be \$4, or \$5.65, or \$7.93, or \$10.19. West Glacier customers would gain more than 20,000 lines for local calling if EAS with the Flathead Valley is approved.

After considering the rate alternatives, the PSC may choose one of them or use the costs underlying them to develop other EAS rate plans. Once implemented, EAS, and the EAS rate increase, are mandatory (not optional) for all customers within an approved

EAS region.

Persons who would be directly affected by EAS and who want to protest EAS or the EAS rate proposals, or otherwise participate in the PSC's EAS proceeding, must file a petition to intervene in this docket with the PSC, PO Box 202601, Helena, 59620-2601, no later than June 19. Interested persons may also submit written comments to the PSC at the same address. The PSC may hold hearings on the EAS proposals prior to making a final decision and also may direct US West to provide ballots on EAS to affected customers to allow for a vote on the issue.

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