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BEFORE THE WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,)
Complainant,)
vs.) Hearing No. UT-921259
THE TOLEDO TELEPHONE, CO., INC.,) (Volume VII)
Respondent.) (Pages 317 - 340)
-----)

A hearing in the above matter was held on
June 29, 1993 at 9:00 a.m., at Olympia, Washington,
before Administrative Law Judge ELMER CANFIELD.

The parties were present as follows:

WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION STAFF, by STEVEN W. SMITH, Assistant
Attorney General, South 1400 Evergreen Park Drive
Southwest, Olympia, Washington 98504.

THE TOLEDO TELEPHONE CO., INC., by RICHARD A.
FINNIGAN, Attorney at Law, 1201 Pacific Avenue, Suite
1900, Tacoma, Washington 98402.

Lauri Donaldson, CSR, RPR
Court Reporter

1 P R O C E E D I N G S

2 JUDGE CANFIELD: This hearing will please
3 come to order. The Washington Utilities and
4 Transportation Commission has set for hearing at this
5 time and place docket No. UT-921259, Washington
6 Utilities and Transportation Commission, complainant,
7 versus The Toledo Telephone Co., Inc., respondent.
8 This matter is being held pursuant to due and proper
9 notice to all interested parties in Olympia, Washington
10 on Tuesday, June 29, 1993, before Elmer Canfield,
11 Administrative Law Judge with the Office of
12 Administrative Hearings. As indicated on the notice of
13 hearing, the purpose of today's session is to hear oral
14 argument.

15 Parties, I'd like to begin by taking
16 appearances, beginning with the respondent, please.

17 MR. FINNIGAN: Thank you. Rick Finnigan,
18 appearing on behalf of The Toledo Telephone Co., Inc.
19 My address is previously of record.

20 JUDGE CANFIELD: Thank you.

21 MR. SMITH: Steven W. Smith, Assistant
22 Attorney General, representing the Commission staff,
23 and my address is as noted previously.

24 JUDGE CANFIELD: Okay. Thank you. And,

25 likewise, I'll note that there is no appearance at
(COLLOQUY)

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1 today's oral argument session by public counsel or
2 intervenor U.S. West.

3 Any preliminary matters that anyone has
4 before we proceed today?

5 MR. FINNIGAN: I have none.

6 MR. SMITH: No.

7 JUDGE CANFIELD: Maybe on that note, I do
8 have one clarification. We did receive the public
9 exhibit that was referred to at the public session.
10 And just for clarification, the cover letter indicated
11 that that would be Exhibit No. 32. We already had an
12 Exhibit 32, so that's Exhibit No. 33, as was reserved
13 in that hearing session. And, specifically, that was
14 Volume VI, page 315, where we did indicate that the
15 public exhibit would be late-filed Exhibit No. 33. So
16 I just wanted to make that clarification on the record
17 today.

18 And, with that, why don't we proceed, then
19 with the oral argument. Mr. Finnigan?

20 MR. FINNIGAN: Thank you. In making this
21 oral argument this morning on behalf of Toledo, I'm
22 going to cover four subjects. The first subject is the
23 filing and why it was made. The second subject is an
24 analysis of the rates and what the appropriate rate

25 level is based on the evidence in the record. Third

(COLLOQUY)

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1 will be discussion of the need for EAS in Toledo. And
2 the fourth will be a discussion of some of the policy
3 issues that are inherent in this case.

4 In looking at the question of why this
5 filing was made, there is basically two answers to that
6 question. The first is fairly simple and
7 straightforward. It was made to comply with the rule.
8 WAC 480.120.400 through 435 are the EAS rules that were
9 passed after several years of study and hearings. In
10 that long process, the Toledo customers participated
11 and were, in fact, heavily involved.

12 In looking at that rule, WAC 480.120.415
13 requires every local exchange company to file a study
14 of its exchange's local calling capacity. Toledo did
15 that. Then the rule requires filing a schedule with
16 priorities for, quote, engineering studies to establish
17 extended area service routes, if any, which meet their
18 criteria of WAC 480.120.410. Now, that rule, WAC
19 480.120.410, states that for each exchange with the
20 local calling capability of less than 80 percent -- and
21 Toledo clearly has less than 80 percent -- the Company
22 must consider routes where 50 percent -- no, back up,
23 must at least consider routes where 50 percent of the
24 customers make two or more calls per month. The

25 Company did that.

(COLLOQUY)

321

1 Then WAC 480.120.415 requires companies to
2 file a schedule, quote, to establish individual EAS
3 routes, closed quote. The rule goes on to require the
4 filing of an implementation schedule and a tariff for
5 EAS.

6 Under these rules, there is only one out for
7 a local exchange company to avoid a filing, and that's
8 to request a waiver from the entire process. However,
9 in the long process leading up to the rules and in the
10 passage of the rules themselves, they create an
11 expectation in the customers that EAS will have.
12 Clearly, the Toledo customers expected something to be
13 done about EAS, so Toledo filed to comply with the
14 rule.

15 Now, the second reason is more important
16 than just technical compliance with the rule. Toledo
17 filed because Toledo's customers need EAS. As Toledo
18 began the process of its EAS routes, the development of
19 its EAS routes, it looked like everything would be
20 okay, that is, until the community calling fund was
21 declared to be illegal. After looking at what was
22 happening with court, Toledo decided that it needed to
23 go ahead because, as I stated, its customers need EAS.
24 So it filed its rates without community calling fund

25 support. Those rates were filed to show an amount of

(COLLOQUY)

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1 \$33.38 per month, a revenue requirement of \$553,643.

2 Staff's testimony in response filed an additive of

3 \$26.96 per month, a revenue requirement of \$447,146.

4 In the rate development area, there are
5 primarily three differences between the Company and the
6 Staff. One is the amortization period for EAS case
7 costs and the MFJ waiver costs. The second is the cost
8 or appropriate additional investments to be made for
9 EAS. And then the third is lost NTS access revenue.

10 Now, there are minor differences on lost
11 traffic-sensitive access charges and lost billing and
12 collection revenue, but those differences are very
13 minor and, for the purposes of this proceeding, the
14 Company will agree with Staff figures on those two
15 items.

16 Looking at the first difference, the
17 amortization costs for the EAS case cost and the MFJ
18 waiver costs, the difference is the Company proposed an
19 amortization period of two years. Staff came back with
20 an amortization period of five years. The Company
21 obviously feels that the two-year period is more
22 accurate. The Staff's rationale for a two-year period
23 is that these costs ought to be treated as
24 organizational expenditures or analogous to

25 organizational expenditures under the Internal Revenue

(COLLOQUY)

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1 Code. But if you take a look at Section 248 on
2 organizational expenditures under the Internal Revenue
3 Code, those are very limited in their nature. They are
4 to be incident to the creation of corporation. They're
5 chargeable to a capital -- they have to be chargeable
6 to a capital account, and you have to be dealing with a
7 corporation of limited life and, as such, the matters
8 would be amortized over that period.

9 We're not talking about something that has a
10 limited life here. We're talking about implementation
11 of EAS on a permanent basis. What we are really
12 talking about is litigation costs. And as was pointed
13 out in cross of Staff, normally litigation costs are
14 expensed in the year in which they are incurred. So,
15 technically, if we're going to use the Internal Revenue
16 Code as our analogy, we would say that the entire cost
17 should be recovered in the first year. The Company is
18 willing to compromise on that and go to two years. We
19 don't feel the five-year period used by Staff is
20 appropriate or supported by appropriate analogy.

21 In any event, if you do use the five-year
22 period suggested by Staff, the Company very strongly
23 feels that you need to keep the unamortized portion
24 reflected in rate base. In other words, the Company

25 should be entitled to earn a return on the amounts that

(COLLOQUY)

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1 are being amortized. Otherwise, the Company is
2 severely penalized for having to expend all the funds
3 in year one and not recover any return on that. It was
4 pointed out on cross that this means that the first --
5 in the first year, that would raise the Staff-proposed
6 rate by 22 cents per month, or from \$26.96 to \$27.18.
7 So our position is we ought to use the two-year
8 amortization. If, however, we use the five-year
9 amortization, then at the very least the rate base
10 effect should be recognized.

11 The second major difference is over
12 additional investments, the investments needed to put
13 EAS in place. And here the difference is what
14 annualization factor is to be used. Staff used a
15 factor of 30 percent. The Company used a factor of
16 42.9733 percent. The important point here is that
17 Staff's figure was an average of other companies'
18 annualization factors, United, General and two or
19 three others. Staff admitted that they did no specific
20 study of Toledo. Yet, in Exhibit 23, Staff's response
21 to a data request, they admit that a specific study and
22 companies' specific costs are what go into a proper
23 annualization factor, so Toledo's proposal was company
24 specific.

25

Therefore, we believe that Company's number

(COLLOQUY)

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1 is supported. Staff using an average of other
2 companies' annualization factors does not take into
3 account Toledo's specific cost and, therefore, is not
4 supported on this record. Using the Company number,
5 this adds 89 cents per month to the base Staff figure,
6 or brings it to \$28.07 a month.

7 Now, the final area of difference is the
8 lost NTS access revenue. Here the Company and the
9 Staff use two different methodologies. Staff's
10 methodology which they assert is the correct
11 methodology is based on U-85-23 calculation of NTS
12 access requirement. As discussed with Staff on
13 cross-examination, the proper use of the methodology
14 coming out of U-85-23 is to use a projected test year,
15 not a historical test year. The Staff's number was
16 premised upon historical test year. When that was
17 updated on cross-examination through use of the 1993
18 projected test year, we came up with some different
19 numbers.

20 As shown on the record, this increases the
21 revenue requirement to \$5.59 per month for this
22 category of lost revenue, not the \$3.84 used by Staff.
23 So when you subtract \$3.84 from \$5.59, you come up with
24 a difference of \$1.73 per month. Adding that into the

25 Staff-based figure brings us to an additive of \$29.80.

(COLLOQUY)

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1 So even if we go with the Staff's starting point, we
2 come up with essentially a \$30-a-month additive. \$30
3 for the Staff, \$33 for the Company.

4 Quite frankly, the additive is not the main
5 issue in this case. Both Staff and the Company agree
6 that whether the Company or the Staff additive is used,
7 either one of them is too high. EAS in the Toledo area
8 is very expensive without some sort of pooling or
9 statewide average.

10 If the rate is too high, is the case over?
11 The answer to that is no. As we have said, it is very
12 clear that the Toledo customers have a need for EAS.
13 Mr. Berggren's testimony points out that even if all of
14 the routes are added, the local calling capability in
15 Toledo will still be below the 80 percent figure
16 discussed in the rules. If 80 percent is an adequate
17 figure for local calling capability, even if we add
18 every EAS route proposed by the Company, it would still
19 be inadequate. That's the statistical part.

20 But this is more about numbers. As you
21 heard the two days of public testimony, there were very
22 eloquent discussions on the need of the Toledo
23 customers for extended area calling. Particularly,
24 what was pointed out in that testimony is that there is

25 a need to call both to the north, to the

(COLLOQUY)

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1 Centralia-Chehalis area, and to the south, to call the
2 Longview-Kelso area.

3 The Staff in its testimony had criticized
4 the Company for proposing such a wide calling area.
5 What we would hope is that after hearing that testimony
6 from the public over those two days, they would
7 understand now why the Company had to propose such a
8 calling area, and the basic answer and the basic reason
9 is because the customers have that need. There is no
10 way that it would be decided to call just one direction
11 and satisfy the needs of the customers in Toledo.

12 One of the things that came across is, for
13 example, many of the customers are tied to the Kaiser
14 Medical Plan which requires them to go to
15 Longview-Kelso. Yet, on the other hand, their
16 government offices are, by and large, in Chehalis, and
17 many of them receive other medical services, health
18 care services, dental, eye doctor, that sort of stuff
19 from the Chehalis-Centralia area.

20 I want to briefly highlight some of the
21 testimony that the public witnesses, the customers in
22 Toledo, put on the record. We heard from Sandy Bray
23 that there are definite business needs to call both to
24 the north and to the south. There are medical needs

25 both to the north and to the south. There is not a way

(COLLOQUY)

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1 that she could adequately segregate those areas out.

2 We heard from Edna Washburn. She has family
3 in Longview and Kelso, she has family in Chehalis, in
4 Winlock and in Vader. She has to call long distance
5 for such things as appliance repair, something as
6 simple as that, and certainly needs to call long
7 distance for her doctor and her dentist.

8 Judy Markle, who is with the Lewis County
9 Senior Citizens Group, testified about the needs of the
10 seniors. And, as she indicated, Toledo does have an
11 aging population. Those needs are both to the north
12 and the south. You remember -- you may remember her
13 talking about the need to call a doctor either in
14 Centralia and Chehalis or in Longview-Kelso to
15 straighten out Medicare needs. If you've ever been
16 part of a group policy, even something like Blue Cross,
17 let alone a federal program like Medicare, you know
18 that those bills get screwed up all the time and it
19 takes quite a while and a lot of time on the telephone
20 to get those straightened out. And that's what the
21 senior citizens are finding. They're having to spend a
22 lot of money on the telephone trying to get their
23 Medicare bills straightened out.

24 Glenn Hudson testified that without EAS,

25 business development in Toledo is hindered. He also

(COLLOQUY)

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1 said that the area should get support for their
2 calling. It shouldn't have to be born entirely by
3 Toledo's customers. He pointed out that the rural
4 areas today are subsidizing metro areas in many ways
5 through the taxes they pay. From an educational
6 standpoint, he pointed out that the school children in
7 the Toledo area need access to the computer services
8 such as Prodigy, which is available in the
9 Longview-Kelso area. He said that, yes, there is an
10 800 number at the courthouse in Chehalis, but in his
11 experience, that number is almost always busy and it's
12 very difficult to get through on and doesn't provide
13 very adequate access.

14 Tom Layton testified on behalf of the Toledo
15 School District. He says the school district has needs
16 to call children in the surrounding areas, including
17 calls to Longview, Kelso and Chehalis. He also
18 discussed the business impact that not having EAS has
19 to the Toledo area.

20 Bruce Strutzenberg testified. He testified
21 that there's a need in Toledo for EAS to reach
22 essential services, that they don't have essential
23 services now without making a long distance telephone
24 call. He gave an example of his wife's medical

25 treatment or medical access is in Longview, Kelso. His

(COLLOQUY)

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1 is in Centralia. They have a handicapped child that
2 attends school in Centralia. Yet his unemployment
3 office -- and he is currently unemployed -- is in
4 Longview-Kelso.

5 Marie Whatley testified she's wanted it for
6 over 30 years. She moved to Toledo from Longview-Kelso
7 over 30 years ago. She feels it's been too long in
8 coming and should be here now. She pointed out that
9 she has to go to Longview-Kelso for medical, but she
10 has to go to Chehalis to contact her county government.

11 Judy Severson testified that her husband
12 loses business because customers have to reach him
13 through a toll call.

14 Ms. Macy testified that her doctor is in
15 Centralia, her insurance company is in Castle Rock, she
16 works in Winlock. She has family in Longview-Kelso.
17 And that's where her doctor is -- excuse me, her
18 optometrist is.

19 Sheryl Nixon testified that she tried to
20 start a business, but the long distance costs were too
21 great and she wasn't able to make a success out of it.
22 For her, as well as many of the people who testified,
23 EAS is a social issue. It's not just a telephone
24 issue.

25

The need is there. The need exists both to

(COLLOQUY)

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1 the north and to the south. Most medical appears to be
2 in Longview-Kelso, but a significant number of
3 customers also testified that they go to Centralia and
4 Chehalis. Clearly, the government offices are to the
5 north, except some of the state offices such as
6 unemployment are in Longview-Kelso. Services are both
7 ways.

8 It's clear that Toledo does not have access
9 to a lot of services that one would think should be
10 readily available through a local phone call. As we
11 discussed on the record, they include everything from
12 automobile dealers to appliance providers, real estate
13 appraisers, architects, cleaners, cold storage,
14 computer sales, copier services, electric company, the
15 gas company, the garbage company, and it goes on and on
16 and on. And I direct you to pages 128 and 129 of the
17 transcript for a sampling of the services that are not
18 available on a local calling basis in Toledo. Clearly,
19 the need is there.

20 The last area that I want to address are the
21 policy issues. This is the real key to this case.
22 What is the state policy going to be? From our
23 perspective, from Toledo's perspective, without the
24 community calling fund, EAS and the EAS rule really

25 becomes an urban-suburban concept. It's just not as

(COLLOQUY)

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1 available to rural areas without some extreme measures
2 being taken.

3 One of the questions that we have to ask
4 ourselves on a policy basis, does the state want an
5 information network, an information highway, a
6 telecommunications network available statewide at
7 reasonable rates. If so, then, quite frankly, there
8 are some areas in the state where a support mechanism
9 is needed. Now, where are we going to get that support
10 mechanism? Maybe we can modify the universal service
11 fund so that it could be used for these purposes.
12 U.S. West has \$30 million sitting out there this year
13 that could be escrowed and applied to EAS over the next
14 several years. Maybe there are other mechanisms out
15 there.

16 The key is, we've got to do something and
17 find a way to get there. The Company is working on it.
18 The Commission is working on it. But that work can't
19 just stop. We've got to continue to work on finding a
20 solution to that problem. To fully accomplish the
21 tying together of Washington communities for today's
22 technology, to help with business growth, to help with
23 telecomputing, to help with data interchange, to help
24 the educational needs in rural areas, we need a way to

25 fund the implementation of EAS. It's not an easy

(COLLOQUY)

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1 answer, but it's an answer that we've got to continue
2 to seek.

3 From the Company's perspective, if the
4 Commission believes that the rates as proposed by the
5 Company or the Staff are too high for implementation of
6 EAS in the Toledo area, then maybe what we have to
7 settle for is half the glass and have at least the
8 routes approved as appropriate routes for Toledo while
9 we continue to work on a funding solution. The Company
10 has devoted significant resources to this process and
11 has gone through two sets of hearings now in order to
12 try and get these routes established. The Company
13 believes it is time to have these routes established
14 and say that these are the routes that should be
15 approved, at least once when a funding source is
16 available. We can take a look then at that glass and
17 decide for ourselves whether it's half full or half
18 empty.

19 But what a Commission action approving
20 routes would do would tell the Toledo customers that
21 the Commission has heard their concerns, that the
22 Commission is willing to work with them in trying to
23 solve this problem. If the routes as proposed by
24 Toledo are not approved, the opposite message is going

25 to be sent, that the Commission has not heard the

(COLLOQUY)

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1 Toledo customers and really doesn't care about the
2 community of Toledo. Thank you.

3 JUDGE CANFIELD: Thank you, Mr. Finnigan.

4 Mr. Smith?

5 MR. SMITH: Thank you, Your Honor. Staff
6 opposes this filing because it is too expensive.
7 Whether you take the Company's figure of \$33.38 or the
8 Staff's figure of almost \$27 as an additive, it's too
9 expensive. And if we accept the adjustments proposed
10 by Toledo to Staff's figures, that is all the more
11 reason to deny it as being expensive.

12 Now, expense is a basis for not approving a
13 tariff filing, generally, and also specifically in the
14 case of EAS routes under the EAS rule. The Commission
15 first addressed this issue of the cost of additional
16 EAS routes in its order adopting the EAS rule
17 permanently in U-892709-0R. And in that order is
18 discussed the concerns raised by the independent
19 telephone companies that being on the engineering
20 study schedule is going to compel them to implement
21 high-cost EAS routes.

22 The Commission addressed that concern on
23 page 5 of its order and stated, and I'll quote, "The
24 Commission believes that the proposed rule as written

25 already allows for the Commission and companies to look

(COLLOQUY)

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1 at costs before proceeding with implementation. This
2 will occur first when proposed EAS routes are
3 identified and implementation schedules are developed
4 and become petitions. The rule offers a second
5 opportunity for review at the time the Company files
6 tariffs for proposed new routes. In short, there is
7 ample flexibility in the rule as adopted to prevent
8 unacceptable consequences."

9 The Commission again addressed the question
10 of costs of EAS routes in its first supplemental order
11 in UT-911288 in which the Commission approved the joint
12 engineering study schedule proposed by the
13 telecommunications company. On page 10, the Commission
14 stated: "Before the Commission can approve any
15 additional new EAS routes for review and approve any
16 alternative pricing plans presented by companies, it
17 must know the magnitude of costs involved, engineering
18 costs, net loss access or toll revenue and operations
19 impact. We will require the companies to submit cost
20 information identifying these and all other relevant
21 costs of providing EAS on the routes in the study
22 schedule which we approved today."

23 As noted in the Company's joint petition,
24 the intent is to implement EAS for those routes unless

25 the engineering study shows and the UTC concurs that

(COLLOQUY)

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1 the costs are prohibitive and not in the public
2 interest. Well, our position is that this is one of
3 those cases where, to prevent unacceptable
4 consequences, the Commission must not approve the
5 tariff filings because the costs are prohibitive rather
6 than reasonable and are, therefore, not in the public
7 interest.

8 The Staff's position is that without
9 consideration of the 10 or 11 criteria the Staff has
10 been using to analyze proposed EAS routes, some routes
11 may not be necessary to provide Toledo customers with a
12 reasonable local calling capability. But we do not
13 intend to and do not address those issues here. We
14 don't have to. Mr. Ramsey in his rebuttal testimony
15 agreed with Staff that the proposed additives are
16 simply too expensive for Toledo's customers and, in
17 light of that cost, he stated on cross-examination that
18 the Company is no longer seeking Commission approval of
19 the rates for those routes.

20 Certainly the public testimony was fairly
21 uniform, though not unanimous, that the proposed
22 additives were simply too high. While the people
23 demonstrated the need for this expanded local calling
24 capability, they were not willing to pay the price

25 that it would take, at least as things stands now. So

(COLLOQUY)

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1 I guess everyone is in agreement on the cost -- the
2 Company, Staff, and the Company's customers -- as
3 filed, the rates are too high.

4 Certainly Toledo has some real problems with
5 its limited local calling capability, as do other small
6 local exchange companies. The Commission has taken
7 steps to try to deal with that. They are continuing to
8 take steps to try to deal with that. But the fact is
9 that some of these EAS problems or local calling
10 problems are very difficult problems, as Mr. Finnigan
11 indicated. Not all of them can be solved by the EAS
12 rule. We would certainly agree with Mr. Finnigan that
13 without some funding mechanism to substitute the
14 community calling fund, these problems may not be
15 solvable.

16 As far as the policy issues are concerned,
17 certainly they are out there, but they can't be
18 resolved in this filing. And I don't think
19 Mr. Finnigan is proposing that.

20 And as far as approving the routes without
21 approving the rates, Staff would oppose that
22 absolutely. I don't see what good would come from
23 that. Approving the routes and then approving the
24 rates may be sometime in the future under changed

25 conditions or radically different conditions. We don't

(COLLOQUY)

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1 know what's going to happen. Moreover, if you do
2 approve the routes, you're going to have the same
3 problem that Mr. Finnigan discussed earlier. You're
4 going to raise the expectations of the Toledo customers
5 that they are going to have EAS or local calling
6 capabilities to those EAS routes that are approved.
7 And I think part of our problem here on the EAS is that
8 expectations have been raised, and it's very difficult
9 to turn down some routes where others have been
10 approved.

11 So consistent with our position throughout
12 this case and, I think, Mr. Ramsey's request, we would
13 ask the Commission -- recommend the Commission not
14 approve the EAS filing at this time.

15 JUDGE CANFIELD: Thank you, Mr. Smith.

16 Was there anything further, Mr. Finnigan?

17 MR. FINNIGAN: Yes. I have some very brief
18 rebuttal.

19 JUDGE CANFIELD: Okay.

20 MR. FINNIGAN: First of all, as indicated by
21 Mr. Smith, the Staff is not addressing the ten factors
22 that they used, and I just want to note for the record
23 that as far as the Company is concerned, those ten
24 factors are not supportable in any circumstance. It's

25 just as well they are not being used.

(COLLOQUY)

339

1 The issue that Mr. Smith raises is that you
2 might as well turn the whole thing down. I think that
3 would be a terrible result. He says the rates are too
4 high and that's an unacceptable consequence. Well, not
5 having EAS in Toledo is also an unacceptable
6 consequence. He said that there is no good that would
7 come about approving the routes; expectations are
8 already raised. Well, it's true that the expectations
9 have been raised. But the message that the Commission
10 would be sending if they don't at least approve the
11 routes to the Toledo customers is that the Commission
12 has turned a deaf ear to their concerns.

13 The good that would come about by approving
14 the routes are twofold. One, the Company has expended
15 considerable resources to date in trying to get EAS
16 established. At the very least, this would produce a
17 future savings for the Company, and not having to go
18 through another lengthy proceeding to show the fact
19 that those routes are needed.

20 The other thing it would do for Toledo
21 customers, they would know that the Commission is
22 concerned about their welfare and that they could
23 understand that while the rates are too expensive, at
24 least the routes will be there if and when a funding

25 solution can be found. And I think that would be a

(COLLOQUY)

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1 very positive result, a very positive message to send
2 to the customers in Toledo.

3 On that basis, we would ask that if the
4 Commission is going to take the position that the rates
5 are too expensive, that we at least have something that
6 we can take to the Toledo customers, and that's that
7 the routes have been approved. Thank you.

8 JUDGE CANFIELD: Thank you, Mr. Finnigan.
9 With that, we will conclude today's session. And I
10 thank you all for coming and participating.

11 As far as the time line goes, I hope to have
12 out my initial order within the month. Obviously,
13 before the end of July is my target on it. And then
14 we've got basically August for the petition period, and
15 then September would be the month that the Commission
16 would be reviewing and issuing its final order to be
17 issued, I believe, by the end of September or first of
18 October, I think, might be the deadline date. So
19 that's the general time line on it.

20 So with that, I'll conclude today's session
21 and thank you for coming up. This hearing is over.

22 (Hearing adjourned at 9:37 a.m.)

23

24

