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## HOUSE BILL NO. 2290

AMENDMENT IN THE NATURE OF A SUBSTITUTE  
(Proposed by the Senate Committee on Commerce and Labor  
on February 20, 1995)

(Patron Prior to Substitute—Delegate Barlow)

A BILL to amend and reenact § 56-484.2 of the Code of Virginia, relating to local exchange telephone companies; countywide local service areas.

Be it enacted by the General Assembly of Virginia:

1. That § 56-484.2 of the Code of Virginia is amended and reenacted as follows:

§ 56-484.2. Extension or reduction upon poll of certain subscribers.

A. Upon petition of five percent but in no case less than twenty-five of the subscribers in an established telephone exchange for an extension or reduction of their local service area to include or exclude a contiguous local exchange or exchanges, or upon resolution of the governing body of a county for a countywide local service area, the Commission shall estimate the approximate change in the monthly rate for service which will result from such extension or reduction. In the case of a governing body resolution for countywide calling, the Commission, prior to estimating the approximate rate change, shall determine which exchanges within the county have a community of interest calling percentage that is fifty percent or greater in at least one direction to at least one other exchange within the county. The Commission shall then undertake to estimate the approximate change in the monthly rate for service that will result from such expanded local calling area for each such exchange. The Commission shall order the affected company or companies to poll those subscribers whose monthly rate for service would change if the proposed changes were adopted. However, polls shall not be required in the exchange or exchanges to which the petitioners desire an extension of local service if (i) any resulting rate increases in any twelve-month period do not, in the aggregate, exceed five percent of the existing monthly one-party residential flat rate service for the affected exchange to which the petitioners desire an extension of local service or (ii) any resulting rate increases in any twelve-month period, in the aggregate, exceed five percent solely due to rate regrouping. No more than one petition for a poll from the same group of subscribers or resolution from the governing body of a county shall be considered by the Commission during any three-year period. For purposes of determining the exchanges that will be polled pursuant to this subsection, "community of interest calling percentage" means the percentage of customers in an exchange that make one or more calls per month to another exchange within the county.

B. If a poll is required pursuant to subsection A and a majority of the subscribers are in favor of the proposed change, or if the Commission determines that a majority of subscribers voting are in favor of the proposed change, the Commission shall order the extension or reduction of their local service area. For the purposes of this section, the number of subscribers in an established telephone exchange shall be deemed to be the number of subscribers in an exchange as of January 1 of the calendar year when the petition is submitted to the Commission. Ballots polling subscribers on a proposed change in local service area shall be counted sixty days after being mailed and the results certified to the Commission.

C. If a poll is not required pursuant to subsection A, the Commission shall require notice to customers in exchanges in which polls are not required and shall convene a hearing on the proposed extension or reduction of the local calling area if the lesser of five percent or 150 of the customers within such exchanges request a hearing. The Commission may convene a hearing under this subsection on its own motion without regard to the number of customers who request a hearing.

D. Where the governing body of a county passes a resolution for a countywide local service area under subsection A and the poll for such service is defeated, the governing body shall reimburse the affected company or companies for the costs of the poll.

E. The Commission shall give the highest priority to petitions or resolutions presented under subsection A that involve exchanges in rural areas.