

COMMONWEALTH OF KENTUCKY  
BEFORE THE UTILITY REGULATORY COMMISSION

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In the Matter of

THE COMPLAINT OF CUSTOM COMMUNICATIONS )  
CORPORATION AGAINST SOUTH CENTRAL BELL )  
TELEPHONE COMPANY CONCERNING LINE ) CASE NO. 7854  
AND TRUNK CHARGES FOR CUSTOMER-OWNED )  
TERMINAL EQUIPMENT )

O R D E R

On April 8, 1980, the Commission received a verbal complaint from Custom Communicatoins Corporation (Custom) against South Central Bell Telephone Company (Bell), stating that Bell was improperly charging trunk line rates for lines serving the NEC Electra 100 Communications System used by the Kentuckiana Regional Planning and Development Agency (KIPDA). KIPDA had purchased or leased the Electra 100 from Custom, an unregulated terminal equipment supplier.

Custom further stated that the Electra 100 is registered with the Federal Communications Commission (FCC) as a "key" type system, and therefore the lines serving the system should be charged the lower key-line rates, rather than the higher PBX-trunk rates which Bell proposed to charge. Bell responded by letter dated April 24, 1980, stating, among other things, that the Company attempted to charge rates according to actual usage rather than FCC registration, and that, in Bell's opinion, the subject Electra 100 was performing PBX functions, and should therefore be charged trunk rates.

This matter was set for hearing on June 9, 1980, and subsequently reset for hearing on June 25, 1980 at 11:00 a.m., Eastern Daylight Time, in the Commission's offices at Frankfort, Kentucky. The hearing was held as scheduled and all parties of interest were given the opportunity to be heard.

After consideration of this matter, including the hearing and all correspondence of record, and being advised, the Commission is of the opinion and finds that:

1) The issue to be determined in this matter is whether line or trunk charges are applicable to the NEC Electra 100 as used in the Kentuckiana Regional Planning and Development Agency (KIPDA), in

Louisville, Kentucky;

2) The Federal Communications Commission (FCC) Telephone Terminal Equipment Registration List is not, and should not be, the final determinant factor in whether a given terminal communications system should be subject to either line or trunk charges, since the FCC Registration does not take into account the actual configuration of an installed system. The Commission notes that the FCC has established the registration program "---to provide for uniform standards for the protection of the telephone network from harms caused by the connection of terminal equipment thereto." (47 CFR Part 68, Section 68.1), and that no statement is made in the tariffed line or trunk charges to a given item of registered equipment;

3) South Central Bell's Tariff, Section A11.2.5, applies the trunk rate to "---a common group of switched lines (pooled) connected to equipment---," and since the NEC Electra 100 configuration at KIPDA does utilize such a common group of switched lines connected to the equipment, this tariff is applicable at the KIPDA installation;

4) No evidence of rate discrimination has been presented in this matter, since Bell has stated that the same application of the tariff would be made in the case of Bell-supplied terminal equipment in the same configuration, and no evidence was presented to the contrary;

5) The complaint of Custom Communications Corporation should be dismissed.

IT IS THEREFORE ORDERED that the complaint of Custom Communications Corporation against South Central Bell Telephone Company concerning the application of trunk charges to the Kentuckiana Regional Planning and Development Agency (KIPDA), be and it hereby is dismissed.

Done at Frankfort, Kentucky, this 13th day of August, 1980.

UTILITY REGULATORY COMMISSION

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Chairman

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Vice Chairman

ATTEST:

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Commissioner

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Secretary