COMMONWEALTH OF KENTUCKY

BEFORE THE UTILITY REGULATORY COMMISSION

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In the Matter of

PETITION OF RESIDENTS OF PADUCAH) AND CALVERT CITY, KENTUCKY) REQUESTING THE ESTABLISHMENT OF) EXTENDED AREA TELEPHONE SERVICE) BETWEEN PADUCAH AND CALVERT) CITY, KENTUCKY)

CASE NO. 7524

ORDER

On July 24, 1979, the Commission received a letter from Mrs. D. L. Stice, Calvert City, Kentucky, and an accompanying petition concerning the establishment of Extended Area Telephone Service (EAS) between Paducah, Kentucky (Prefixes 442, 443, 444, 554 and 898), and Calvert City, Kentucky (Prefix 395). Paducah is served by South Central Bell Telephone Company (Bell) and Calvert City is served by Continental Telephone Company (Continental).

After considering the letter and petition, and being advised, the Commission on August 1, 1979, Ordered that Bell and Continental conduct one month traffic studies with respect to the toll calling patterns between Paducah and Calvert City, Kentucky. Subsequently, Bell filed the results of its study on September 11, 1979, and Continental filed its traffic study results on September 28, 1979.

After receiving the traffic study results, the Commission, by Order dated November 20, 1979, set the matter for hearing on January 9, 1980, at 1:30 p.m., Eastern Standard Time, in the Commission's Offices at Frankfort, Kentucky. The hearing was held as scheduled, and representatives of Bell and Continental presented testimony in the matter. Petitioners were not represented at the hearing.

Subsequently, at the request of some of the petitioners, a further hearing was set by Order dated February 8, 1980. This hearing was scheduled for March 4, 1980, at 1:30 p.m., Eastern Standard 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.

The Commission, after consideration of this matter, including the public hearings and all correspondence of record, and being advised, is of the opinion and FINDS that:

1) The toll traffic studies which were conducted show considerable calling activity from Calvert City to Paducah, but only minimal calling activity from Paducah to Calvert City. In fact, the studies indicate that Paducah subscribers average only (0.52) calls per subscriber into Calvert City during the one month study period;

2) At the public hearings of January 9, 1980, and February 8, 1980, evidence of interest in calling from Calvert City to Paducah was introduced, but no demonstration of calling interest from Paducah into Calvert City was shown;

3) Neither petitioners nor the toll traffic studies have demonstrated a two-way community of interest which must be shown to justify further consideration of this matter, and therefore this case should be dismissed;

4) Continental should develop rates for Optional Calling Plans (OCP) which will allow special rates for Calvert City subscribers desiring to call Paducah.

IT IS THEREFORE ORDERED that the Petition for Extended Area Telephone Service (EAS) between Calvert City and Paducah be and it hereby is denied.

IT IS FURTHER ORDERED that Continental Telephone Company shall develop Optional Calling Plan (OCP) tariffs and rates for Calvert City subscribers to call Paducah and further shall file those OCP tariffs and rates with the Commission within thirty (30) days of the date of this Order.

IT IS FURTHER ORDERED that the OCP tariffs filed shall include three (3) plans: Residence only, one-way, off hours; residence or business, one-way, all hours; residence or business, two-





way, all hours.

IT IS FURTHER ORDERED that Continental Telephone Company shall, within thirty (30) days of Commission approval of the OCP filing, inform its Calvert City subscribers via the use of bill inserts of the availability, conditions, and rates of the approved Optional Calling Plans.

> Done at Frankfort, Kentucky, this 9th day of January, 1981. UTILITY REGULATORY COMMISSION

> > Did not participate Chairman

10 min Vice Chairman

Commissioner

ATTEST:

Secretary