COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF SOUTH CENTRAL BELL)TELEPHONE COMPANY TO CHANGE)AND INCREASE CERTAIN RATES)CHARGES FOR INTRASTATE)TELEPHONE SERVICE)

ORDER

On January 14, 1985, South Central Bell Telephone Company ("South Central") filed an objection to certain items contained in the supplemental request for information made by the Kentucky Hospital Association ("KHA") on January 10, 1985. Specifically, South Central objects to providing further information on Local Measured Service ("LMS") since the Commission imposed a moratorium on LMS in Case No. 8847 and currently has a separate docket before it (Administrative Case No. 285) for the purpose of assessing the merits of further LMS offering in Kentucky.

While it is true that LMS is technically an "issue" in this case since South Central has projected a certain revenue increase from LMS as a part of its total rate case, the substantive issues relating to LMS will not be debated in this proceeding. Instead, the Commission has established a separate docket solely for the purpose of considering the merits of LMS. The Commission invites all parties in this case who are primarily interested in LMS (such as KHA) to intervene and participate in Administrative Case No. 285. For this reason, the Commission agrees with South Central that extensive discovery regarding LMS serves no useful purpose in this case and the Commission will grant South Central's request that it not be required to respond.

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On January 15, 1985, the Attorney General filed a motion seeking an extension of time in which to file its testimony on Specifically, the Attorney General the issue of rate design. requests that it be allowed until February 1, 1985, to file the testimony due to the complexity of this issue. The Attorney General agrees to give South Central until February 15, 1985, to submit information requests to it on this issue. On January 17, 1985, South Central filed a response in which it indicated that the company had no objection to the Attorney General's request for an extension so long as South Central has until February 15, 1985, to submit information requests to the Attorney General. Having considered the motion and response thereto, the Commission finds that good cause exists to grant the Attorney General's extension as requested.

On January 21, 1985, the Department of Defense filed a request for an extension of time to February 1, 1985, in which to file its testimony. As grounds therefor, the Department of Defense states that it did not receive South Central's testimony until January 17, 1985, and that prior commitments prevented the Department of Defense's witness from working on this case during the week of January 21, 1985. The Commission finds that the Department of Defense has shown good cause for its requested

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extension and the Commission will allow the Department of Defense to file its testimony on or before February 1, 1985. However, the Commission will also extend South Central's time for submitting information requests to the Department of Defense to and including February 15, 1985.

Based upon the findings set forth above, the Commission HEREBY ORDERS that South Central is not required to respond to items 5 and 7 of the KHA's supplemental request for information filed on January 10, 1985.

IT IS FURTHER ORDERED that the time for filing rate design testimony for the Attorney General and all testimony of the Department of Defense is hereby extended to and including February 1, 1985. South Central shall have until February 15, 1985, to submit information requests to the Attorney General regarding the rate design issue and to submit information requests to the Department of Defense on all issues.

IT IS FURTHER ORDERED that all other procedural dates set forth in Appendix A to the Commission's December 12, 1984, Order remain unchanged.

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Done at Frankfort, Kentucky, this 24th day of January, 1985.

PUBLIC SERVICE COMMISSION

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ATTEST:

Secretary