

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CINCINNATI BELL)	
TELEPHONE COMPANY FOR AUTHORITY TO)	CASE NO.
ADJUST ITS RATES AND CHARGES AND TO)	9353
CHANGE ITS TARIFFS)	

O R D E R

On December 30, 1985, the Commission issued an Order placing a moratorium on further expansion of Cincinnati Bell Telephone's ("CBT") Optional Measured Service ("OMS") Tariff offering. On January 7, 1986, CBT in a letter to the Commission's Secretary requested clarification on whether the Commission intended to apply the OMS moratorium to Coin Operated Customer Owned Telephone ("COCOT"). In addition, CBT proposed to continue offering local area and message-rate services in lieu of grandfathering and withdrawal of these until such time as the Commission renders a decision in Administrative Case No. 285. All parties in this case have been provided a notice and an opportunity to respond to this letter, none have responded. Therefore, the Commission will consider this letter a petition for rehearing in this matter.

The Commission in issuing its Order in this case stated its concern with the expansion of measured service without proper information and cost/benefit analysis. Its treatment of CBT's

OMS is similar to the moratorium it has placed on South Central Bell's optional local measured service offering. However, the Commission has permitted South Central Bell to adopt local measured rates for COCOT service since implementing the moratorium in Case No. 8847. Therefore, the Commission will continue to permit CBT to apply its OMS rate structure as adopted in Case No. 9223 to its COCOT service offering.

As to the grandfathering and withdrawal of local area and message-rate service, the Commission stated in the Order "it will allow Cincinnati Bell to retain these services" pending "the filing of an appropriate motion." CBT stated that withdrawal of these services without OMS would impose a hardship on their customers. The Commission is of the opinion that the appropriate motion has been filed and will permit CBT to continue to offer these services.

FINDINGS AND ORDERS

After examining the evidence of record and being advised the Commission is of the opinion and finds that:

1. In accordance with the above discussion, the OMS rate structure should apply to the COCOT service.
2. In accordance with the above discussion, CBT's motion to continue to offer message-rate and local area service pending the outcome of Administrative Case No. 285 should be granted.
3. In accordance with the above discussion, CBT's petition for rehearing should be granted.

IT IS THEREFORE ORDERED that CBT's Application for Rehearing be and it is hereby granted.

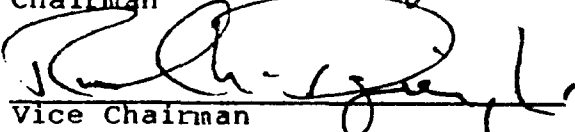
IT IS FURTHER ORDERED that CBT's motion to continue to offer message-rate and local area service pending the outcome of Administrative Case No. 285 be and it is hereby granted.

IT IS FURTHER ORDERED that the OMS rate structure should apply to the COCOT service be and it is hereby ordered.

Done at Frankfort, Kentucky, this 29th day of January, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary