

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE WESTERN UNION)
TELEGRAPH COMPANY FOR AUTHORITY TO) CASE NO. 10021
PROVIDE INTRASTATE INTERLATA TELEPHONE)
SERVICE AS NONDOMINANT CARRIER)

O R D E R

On September 4, 1987, Western Union Telegraph Company ("WUTC") filed an application for authority to provide intrastate interLATA telephone service within Kentucky. WUTC was requested to supply additional information by Order dated September 21, 1987. Its response was filed on October 2, 1987. Confidential treatment of a service agreement between WUTC and another carrier was also requested pursuant to 807 KAR 5:001, Section 7. The Commission, having reviewed WUTC's petition for confidential treatment of a service agreement, concurs with the assertion that some confidential commercial information within the agreement should be protected. However, the name of the carrier involved is not sufficiently deserving of protection, when balanced with the public interest in disclosure.

WUTC is a wholly-owned subsidiary of Western Union Corporation ("WUC"). Western Union was organized in 1851 in the state of New York under the name New York and Mississippi Valley Printing Telegraph Company. On April 4, 1856, it changed its name to Western Union Telegraph Company. Initially, WUTC proposes to

offer its service in the Louisville and Lexington local exchange calling areas, and in the Kentucky portion of the Cincinnati, Ohio, local exchange calling area. Louisville, Lexington, and Cincinnati customers will complete calls over WUTC's network through leased facilities to its switch located in Cincinnati. A portion of WUTC's transcontinental microwave system traverses Kentucky, but there are no present plans to use the facilities or to build facilities in Kentucky.

WUTC's facilities on a nationwide basis include microwave and satellite facilities. WUTC currently offers interstate origination and termination services in 30 states and offers intrastate service in 17 states.

FINDINGS AND ORDERS

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

- 1) WUTC is technically capable of providing the service.
- 2) WUTC should be granted a Certificate of Public Convenience and Necessity to provide intrastate interLATA telecommunications services to the public. This grant is expressly conditioned upon Western Union's compliance with Orders in Administrative Case No. 273, an Inquiry into Inter- and IntraLATA Intrastate Competition in Toll and Related Services Markets in Kentucky, and Case No. 8838, An Investigation of Toll and Access Charge Pricing and Toll Settlement Agreements for Telephone Utilities Pursuant to Changes to be Effective January 1, 1984, as they apply to interLATA carriers. This includes, but is not limited to, the following: provision of jurisdictional reports

consistent with the Commission-approved methodology and maintenance of complete, detailed and accurate records, workpapers and supporting documentation for these jurisdictional reports for one year, and provision of Universal Local Access Service ("ULAS") Tariff channel reports to the Commission and South Central Bell Telephone Company, as pool administrator.

3) WUTC should not be allowed to provide intrastate intraLATA services to the public.

4) WUTC should conform its intrastate offering of service to the provisions of the May 25, 1984, and October 26, 1984, Orders in Administrative Case No. 273.

5) WUTC's rates as filed should be approved.

6) WUTC should file its tariff sheets in accordance with 807 KAR 5:011.

7) Pursuant to 807 KAR 5:001, Section (7)(7)(b), WUTC's petition for confidential treatment of the service agreement should be granted except for the name of the owner of certain fiber optic capacity leased by Western Union in Kentucky.

IT IS THEREFORE ORDERED that:

1) WUTC be, and it hereby is, granted a Certificate of Public Convenience and Necessity to provide intrastate interLATA telecommunications services to the public.

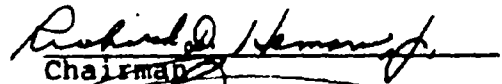
2) WUTC shall not provide intrastate intraLATA services to residents of Kentucky.

3) WUTC shall conform its intrastate offering of service to the provisions of the May 25, 1984, and October 26, 1984, Orders in Administrative Case No. 273.

- 4) WUTC's rates as filed shall be approved.
- 5) Within 30 days of the date of this Order WUTC shall file its tariff sheets in accordance with 807 KAR 5:011.
- 6) WUTC's petition for confidential treatment of the service agreement shall be granted except for the name of the owner of certain fiber optic capacity leased by WUTC in Kentucky.

Done at Frankfort, Kentucky, this 30th day of October, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director