

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF TOLL AND ACCESS)
CHARGE PRICING AND TOLL SETTLEMENT)
AGREEMENTS FOR TELEPHONE UTILITIES) CASE NO. 8838
PURSUANT TO CHANGES TO BE EFFECTIVE) PHASE I
JANUARY 1, 1984)

In the Matter of:

DETARIFFING BILLING AND COLLECTION) ADMINISTRATIVE
SERVICES) CASE NO. 306

O R D E R

On March 1, 1988, the Commission issued an Order in this case retaining billing and collection as tariffed services. On March 21, 1988, South Central Bell Telephone Company ("South Central Bell") and Cincinnati Bell Telephone Company ("Cincinnati Bell") filed Motions for Rehearing. On April 4, 1988, US Sprint Communications Company filed its response in support of South Central Bell's Motion for Rehearing.

South Central Bell and Cincinnati Bell seek rehearing on only a small part of the March 1, 1988, Order. South Central Bell requests rehearing on ordering paragraph six and the related discussion section entitled "Limitation on Billing and Collection Services." In support of its Motion, South Central Bell states that it would incur great difficulty and expense in complying with the Order to collect only those rates and charges which are contained in a tariff or special contract. Most carriers

subscribing under the billing and collection tariff do not take the element called message processing by which South Central Bell would compute an appropriate rate for each message. Instead, the access customers generally rate their own messages and provide South Central Bell with a billing tape. South Central Bell also raises concerns about the restriction of collection to rates and charges tariffed by the Federal Communications Commission ("FCC") on the interstate side.

Cincinnati Bell requests rehearing only on the issue of whether the Commission will permit local exchange companies to terminate service for nonpayment of charges for utility-like services even if such utility-like services are not regulated by the FCC or by the State Commission.

The Commission, being advised, is of the opinion and finds that South Central Bell's Motion and Cincinnati Bell's Motion should be granted. Also, the requirement to file tariffs in compliance with ordering paragraph six should be suspended.

On March 24, 1988, American Operator Services, Inc., ("AOS") filed a Motion for intervention in the instant cases. As grounds for its Motion, AOS states that it has interests which are not otherwise adequately represented in the proceeding. AOS also filed a Motion for Rehearing of ordering paragraph six of the March 1, 1988, Order.

The Commission, being advised, is of the opinion and finds that the Motion of AOS to intervene in the instant proceeding should be granted. The Commission also finds that having granted South Central Bell's Motion and Cincinnati Bell's Motion, the

issue of AOS' Motion for Rehearing or in the alternative to vacate ordering paragraph six and address the issue in AOS' certificate case No. 10130, The Application of American Operator Services, Inc., for a Certificate of Convenience and Necessity to Provide Intrastate Operator-Assisted Resold Telecommunication Services as a Nondominant Carrier, is moot.

Thus, the Commission hereby ORDERS that:

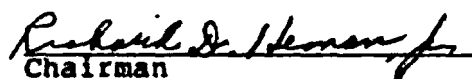
1. South Central Bell's Motion for Rehearing and Cincinnati Bell's Motion for Rehearing are granted.

2. AOS' Motion for intervention is granted and its Motion for Rehearing is moot.

3. The requirement to file tariffs in compliance with ordering paragraph six of the March 1, 1988, Order is hereby suspended until the issuance of an Order on a rehearing.

Done at Frankfort, Kentucky, this 8th day of April, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director