

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF LITEL )  
TELECOMMUNICATIONS CORPORATION ) CASE NO. 89-037  
TO ESTABLISH CARRIER EXPRESS II )  
SERVICE )

O R D E R

Introduction

On January 25, 1989, LiTel Telecommunications Corporation ("LiTel") made a tariff filing to establish Carrier Express II Service, effective February 25, 1989. Carrier Express II Service is a virtually banded, volume sensitive, outbound toll service. Termination charges for Carrier Express II Service are based on call duration, rate period, and total monthly usage within each rate period, and are in addition to any originating access services costs a customer might incur.

On February 17, 1989, South Central Bell Telephone Company ("South Central Bell") filed a motion to intervene; consolidate the tariff filing with Administrative Case No. 323;<sup>1</sup> and for nondiscriminatory treatment of LiTel's services. South Central Bell's motion is based on the premise that Carrier Express II Service can generate unauthorized intraLATA traffic. Accordingly,

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<sup>1</sup> Administrative Case No. 323, An Inquiry Into IntraLATA Toll Competition, An Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality. LATA is an acronym for Local Access and Transport Area.

South Central Bell contends that Carrier Express II Service should be subject to: (1) any compensation agreement that may be ordered in Administrative Case No. 323; and (2) usage reporting requirements ordered in the cases of similar tariff filings.

#### Discussion

In terms of service configuration, Carrier Express II Service is generically similar to other service offerings that have been approved by the Commission.<sup>2</sup> In each instance, the service offering can generate unauthorized intraLATA traffic.

The Commission is of the opinion that South Central Bell's motion to intervene should be granted in order to address the remaining motions.

South Central Bell does not specifically move the Commission to suspend and investigate the Carrier Express II Service tariff filing. Moreover, in the opinion of the Commission, an investigation would not serve any useful purpose. Similar tariff filings have been suspended, investigated, and approved subject to the conditions that South Central Bell suggests should apply to

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<sup>2</sup> These include services offerings of AT&T Communications of the South Central States, Inc. ("AT&T"), MCI Telecommunications Corporation ("MCI"), and US Sprint Communications Company ("US Sprint"). Examples are AT&T Megacom Service, which was approved in Case No. 9874, AT&T Tariff Filing Proposing Megacom/Megacom 800 Service; MCI Prism I and Prism II Services, which were approved in Case No. 9828, MCI's Tariff Filing to Establish Prism Plus, Prism I, and Prism II Services; and US Sprint's Banded WATS Service, which was approved in Case No. 89-010, US Sprint's Banded WATS Service Tariff Filing. WATS is an acronym for Wide Area Telecommunications Service.

Carrier Express II Service. The Commission agrees that the terms and conditions that apply to other service offerings that can generate unauthorized intraLATA traffic should also apply to Carrier Express II Service. Therefore, in the opinion of the Commission, South Central Bell's motion for nondiscriminatory treatment of LiTel's services should be granted.

Since the Commission will mandate that LiTel comply with the same terms and conditions for Carrier Express II Service as apply to other service offerings that can generate unauthorized intraLATA traffic, it is not necessary to consolidate this matter with Administrative Case No. 323. Therefore, in the opinion of the Commission, South Central Bell's motion to consolidate should be denied.

#### Findings and Orders

The Commission, having considered LiTel's tariff filing, South Central Bell's motion, and being sufficiently advised, is of the opinion and finds that:

1. South Central Bell's motion to intervene should be granted.
2. South Central Bell's motion for nondiscriminatory treatment of LiTel's services should be granted.
3. South Central Bell's motion to consolidate this matter with Administrative Case No. 323 should be denied.
4. LiTel's Carrier Express II Service tariff filing should be made effective on February 25, 1989, pursuant to the provisions

of 807 KAR 5:011, Section 9(1), subject to any compensation arrangement that may be ordered in Administrative Case No. 323.

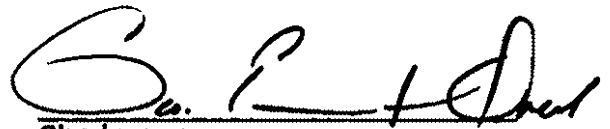
5. LiTel should measure and report interstate and intrastate jurisdictional usage and interLATA and intraLATA usage associated with Carrier Express II Service, and file usage reports with the Commission on a quarterly basis.


6. LiTel should inform prospective Carrier Express II Service customers that their use of the service to complete intraLATA calls is not authorized by the Commission.

Accordingly, the above findings are HEREBY ORDERED.

Done at Frankfort, Kentucky, this 24th day of February, 1989.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Executive Director