

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NETWORK SERVICES, INC. )  
FOR A CERTIFICATE OF PUBLIC CONVENIENCE )  
AND NECESSITY TO OPERATE AS A RESELLER ) CASE NO. 90-007  
OF TELECOMMUNICATIONS SERVICES IN )  
KENTUCKY )

O R D E R

On January 4, 1990, Network Services, Inc. ("NSI") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to provide intrastate interLATA telecommunications services as a reseller within the Commonwealth of Kentucky.

The Commission ordered NSI to file additional information by Orders dated February 2, 1990 and May 3, 1990. NSI filed its responses on March 19, 1990 and May 8, 1990, respectively. On May 21, 1990, NSI filed a supplement to its May 8, 1990 response.

On February 9, 1990, South Central Bell Telephone Company filed a motion for full intervention in this proceeding. The Commission granted this motion on February 23, 1990.

NSI proposes to resell MCI Telecommunications Corporation's ("MCI's") services on an interLATA basis. The proposed services are called Dial One and Travel Card. Dial One is a mileage sensitive, interLATA service for commercial and residential customers. The customer will dial "1" plus the area code and

telephone number. No codes are required with Dial One service. Travel Card is an interLATA service designed for small customers with no premises facilities. The customer will dial a local number or 950 access code and enter an authorization code. The authorization code is assigned by MCI.

The financial, managerial, and technical capabilities of NSI are demonstrated in the application and information provided by NSI in response to the February 2, 1990 Order. NSI's president has been involved in the interexchange telecommunications business and has managerial expertise. In addition, NSI has identified certain individuals presently employed with a local exchange company and one long-distance carrier who will be hired to manage NSI's interface and customer service areas. NSI has a letter of credit in the amount of \$100,000 used as security to MCI for its initial Corporate Account Service Plus agreement. Additional funds are available from the shareholders on an as needed basis.

The Commission, having considered the application of NSI, the information provided by NSI in response to the Commission's Orders, NSI's supplemental information and clarification to its May 8, 1990 response, and being otherwise sufficiently advised, finds that NSI should be granted authority to provide intrastate interLATA telecommunications services as a non-dominant carrier within the Commonwealth of Kentucky on and after the date of this Order.

IT IS THEREFORE ORDERED that:

1. NSI be and it hereby is granted authority to provide intrastate interLATA telecommunications services within the Commonwealth of Kentucky on and after the date of this Order.

2. NSI shall comply with the provisions of the May 25, 1984 and October 26, 1984 Orders in Administrative Case No. 273.<sup>1</sup>

3. This authority to provide service is strictly limited to those services described in this Order, NSI's application and consistent with NSI's tariff sheets as amended by revised tariff sheets filed on May 21, 1990.

4. NSI shall fully comply with the Commission's prohibition against offering intraLATA services.

5. NSI is not authorized to provide any operator-assisted telecommunications services.

6. NSI's tariff shall clarify that NSI's name will appear as the long-distance carrier on the end-users' bills.

7. NSI's Special Promotions mentioned in Section 4.3 of the Original Sheet 13 of its tariff are subject to filing tariff sheets with the Commission. NSI shall file its tariff sheets prior to providing any Special Promotions.


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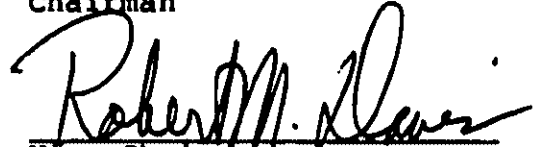
<sup>1</sup> Administrative Case No. 273, An Inquiry Into Inter- and IntraLATA Intrastate Competition in Toll and Related Services Markets in Kentucky.

8. Within 30 days from the date of this Order, NSI shall file its tariff sheets in accordance with 807 KAR 5:011 to conform to the restrictions and conditions of service contained herein.

Done at Frankfort, Kentucky, this 27th day of July, 1990.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

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Commissioner

ATTEST:

  
Executive Director