

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CABLE & WIRELESS)
COMMUNICATIONS, INC., FOR A)
CERTIFICATE OF CONVENIENCE AND) CASE NO. 90-150
NECESSITY TO PROVIDE INTEREX-)
CHANGE TELECOMMUNICATIONS)
SERVICES IN KENTUCKY)

O R D E R

IT IS ORDERED that Cable & Wireless Communications, Inc. ("CWC") shall file the original and ten copies of the following information with the Commission, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. Include in each response the name of the witness who will be responsible for responding to questions relating to the information provided.

The information requested herein is due no later than August 17, 1990. If the information cannot be provided by this date, CWC should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it can be furnished. Such motion will be considered by the Commission.

1. Has CWC ever provided and/or collected any money from the public for the provision of intrastate telecommunications services in Kentucky? If so, explain in detail.

2. Identify the carriers whose services CWC intends to resell.

3. If CWC intends to resell tariffed services of facilities-based carriers, identify these tariffed services and specify whether these services will be obtained from intrastate or interstate tariffs.

4. If CWC intends to resell services that are not available under an approved tariff, provide copies of the contracts which govern the terms of the agreement between CWC and its facilities-based carriers.

5. Provide a clear and legible sketch showing all the switching locations and/or points-of-presence. Show how the facilities obtained from facilities-based carriers will be used to connect these locations. Include local access facilities and identify the local access that will be used.

6. State whether CWC is aware of the Commission's rules, restrictions, and prohibition against providing intraLATA services by non-local exchange facilities-based carriers. Explain in detail how CWC will comply with those restrictions.

7. If switching locations and/or points-of-presence are located outside the Commonwealth of Kentucky, explain how CWC will ensure that intrastate access charges will be paid.

8. Explain how CWC will screen intraLATA traffic if CWC intends to resell services or facilities authorized only for interLATA traffic but which can carry intraLATA traffic.

9. Does CWC own and/or operate any transmission facilities in the Commonwealth of Kentucky or any other jurisdiction? If so, explain.

10. Does CWC have any affiliation with any other company

which owns and/or operates any transmission facilities in any jurisdiction? If so, explain.

11. Specify the Kentucky counties which CWC proposes to serve.

12. Describe how calls will be transported from the customer's premises to the operator service centers. Include identification of CWC's switching locations, operator service locations, and identification of services and providers of the services being resold.

13. Specify the facilities and/or services used by CWC to transport calls from the customer's premises to CWC's originating point-of-presence, such as the types of access utilized (Feature Groups A, B, or D, Special Access, WATS, etc.). Identify the local exchange companies from whom such access and/or services are purchased.

14. If the location of operator centers is not the same as switching location, specify the facilities and/or services used to bridge operators onto a call placed over the network.

15. Provide a description of how such calls are transported to final termination points. Specify the facilities and/or services used to terminate calls.

16. Provide a complete schedule of all rates, charges and rules CWC proposes to utilize in providing proposed intrastate services.

17. Provide a copy of all current contracts entered into with any business, institution, and/or corporation for the

provision of operator-assisted services by CWC and/or any of its affiliates.

18. Explain how CWC's operators identify CWC to the end-user when handling an operator-assisted call.

19. Explain in detail how CWC transfers calls to local exchange companies' operators when requested by an end-user.

20. Explain in detail how CWC transfers calls to competing carriers' operators when requested by an end-user.

21. Explain in detail CWC's calling card validation capabilities.

22. Explain in detail how CWC handles emergency calls.

23. Is CWC able to comply with each of the conditions of service for operator-assisted services detailed in the September 8, 1989 and January 15, 1990 Orders in Administrative Case No. 330,¹ and the August 3, 1989 Order in Case No. 10002?² Provide a detailed explanation of compliance for each condition of service.

24. Provide an estimate of sales revenues for CWC's first 2 years of Kentucky operations. Explain how CWC arrived at these estimates. If estimates are based upon a market study, provide a copy of this study.

25. Provide a listing of financial institutions with which CWC has a line of credit. State CWC's credit line with each of

¹ Administrative Case No. 330, Policy and Procedures in the Provision of Operator-Assisted Telecommunications Services.

² Case No. 10002, The Application of International Telecharge Inc., for a Certificate of Public Convenience and Necessity to Operate as a Reseller of Telecommunications Services Within the State of Kentucky.

these institutions.

26. State whether CWC is aware of the provisions of the Kentucky Public Service Commission Administrative Case No. 273³ and how it will apply to CWC's Kentucky operations.

27. State whether CWC is aware of the potential impact of Administrative Case Nos. 323 and 328,⁴ now pending before this Commission, that may apply to CWC's Kentucky operations.

28. Provide a toll-free number or provision for accepting collect calls for customer complaints.

29. In the first full paragraph in page 5 of the application, CWC states "OPERATOR SERVICE provides presubscribed customers the option of billing CWC interLATA calls to their local exchange carrier accounts or to one of several commercial credit cards. Options include collect, third party, person-to-person, station to station calling." (Emphasis added.) Clarify how CWC provides presubscribed customers the third party billing option.

30. In the first full paragraph in page 5 of the application, CWC states "CWC will not provide the service to pay telephones, hotels, motels, hospitals, dormitories, or other

³ Administrative Case No. 273, An Inquiry Into Inter- and IntraLATA Intrastate Competition in Toll and Related Services Markets in Kentucky.

⁴ 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; Administrative Case No. 328, Investigation Into Whether WATS Resellers Should Be Included in the ULAS Allocation Process.

institutional call aggregators. Hence, the service cannot be used to serve transient end users from public and semi-public telephones."

a. Explain CWC's ability to enforce that its operator services are not available to transient users.

b. How can CWC distinguish an ordinary business line from one that is connected to a Customer-Owned Coin-Operated Telephone?

31. Refer to Original Title Page of the proposed tariff. This sheet should clarify that the proposed services are only "interLATA." Clarify and provide a revised Title Page.

32. Refer to Section 1 of the Original Page 7 of the proposed tariff, CWC Recognized Holidays. Based on the Administrative Case No. 330 Orders, the rates for operator-assisted services should not be higher than maximum approved rates of AT&T Communications of the South Central States, Inc. ("AT&T"). This applies to holiday rates too. Section A5.3.1.E. of AT&T's tariff provides the holiday rate/evening rate to "resulting legal holidays when Christmas, New Year's or Independence Day legal holidays fall on dates rather than December 25, January 1, or July 4" in addition to the holidays mentioned in CWC's tariff. Provide a revised tariff sheet consistent with this matter.

33. Refer to Section 2.2.A. of the Original Page 8 of the proposed tariff, where it states "CWC reserves may decline applications" (Emphasis added.) The word "reserves" should be omitted. Correct and provide a revised tariff sheet.

34. Refer to Section 2.3.A. of the Original Page 8 of the proposed tariff. Is CWC aware of the Commission's policy which prohibits compounding late payment penalties? Clarify and provide a revised tariff sheet.

35. Refer to Section 2.3.B. of the Original Page 9 of the proposed tariff, where it states "The Security of the Customer's authorization codes is the responsibility of the Customer. All calls completed using Customer's authorization codes will be billed and must be paid by the customer." If the customer notifies CWC of loss of his/her codes and possible access to it by others, is the customer still responsible for the payments of calls occurring after he/she notifies CWC? Clarify and provide a revised tariff sheet describing this situation.

36. Refer to Section 2.3.D.3. of the Original Page 9 of the proposed tariff.

a. Is CWC aware that KRS 278.460 requires that interest on deposits be paid at the rate of 6 percent per annum?

b. Is CWC aware of the Commission's Order in Case No. 89-057,⁵ dated October 31, 1989, which prescribes the method of calculating interest on deposits?

c. Provide a revised tariff sheet consistent with the January 23, 1990 letter of the Commission's Executive Director to all jurisdictional utilities. A copy of that letter is attached to this Order.

⁵ Case No. 89-057, Investigation Into the Customer Deposit Policy of Kentucky Power Company.

37. Refer to Section 2.8.B of the Original Page 12 of the proposed tariff, where it states "The Customers shall secure all licenses, permits, rights-of-ways, and other arrangements necessary for such interconnections." Why is the customer responsible for securing interconnections with other carriers? Provide a detailed justification.

38. Refer to Section 2.10. of the Original Page 13 of the proposed tariff, where it states "Calls of greater duration than 55 seconds are billed, with billing commencing 18 seconds after the last digit of the long distance number has been dialed."

a. According to the September 8, 1989 Order in Administrative Case No. 330, is CWC aware that it is not permitted to bill customers for uncompleted calls? Clarify and provide a revised tariff sheet.

b. Why can CWC not install "Voice Detection Devices," where Answer Supervision is not available? Clarify and provide a revised tariff sheet.

39. Refer to Section 3.1.A. of the Original Page 14 of the proposed tariff, where it states "[o]riginating traffic within the Cincinnati and Louisville LATAs to all points within Kentucky." (Emphasis added.) Clarify that the service is "to all interLATA points within Kentucky" and provide a revised tariff sheet.

40. Refer to Section 3.2.B. of the Original Page 15 of the proposed tariff. The first 3 categories of mileages are shown as 0-10, 10-22, 13-55. Correct and provide a revised tariff sheet.

41. Refer to Section 3.2.B.1. of the Original Page 16 of the proposed tariff. "6:00 pm Sun" should be "5:00 pm Sun." Correct and provide a revised tariff sheet.

42. Refer to Sections 3.3.B.2. of the Original Page 17, 3.4.B.2. of the Original Page 19, and 3.5.B.2. of the Original Page 22 of the proposed tariff. These sections show only the Rate Period, however, they do not show the schedule of discounts. Correct and provide revised tariff sheets.

43. Refer to Original Pages 19 and 20 of the proposed tariff. Section 3.3. Focus III should be changed to Section 3.4. Focus III. Correct and provide revised tariff sheets.

44. Refer to Original Page 21 of the proposed tariff. Section 3.4. 800 service should be changed to Section 3.5. 800 service. Correct and provide a revised tariff sheet.

45. Refer to Section 3.5.D.2. of the Original Page 24 of the proposed tariff, Alternate Establishment Fee. This section refers to "Section 3.7.D.1." However, Section 3.7.D. does not have any subsection. Correct and provide a revised tariff sheet.

46. Refer to Section 3.5.D.3. of the Original Page 24 of the proposed tariff, Extended Coverage. Describe this charge and provide a revised tariff sheet.

47. Refer to Section 3.7.A. of the Original Page 26 of the proposed tariff, Description. "FOCUS I" and "EXCEL" are not described anywhere in the tariff. Provide a revised tariff sheet that describes these services.

48. Refer to Section 3.7.D. of the Original Page 26 of the proposed tariff, where it shows that Service Establishment Charges

are \$11.25 - \$18.75 per account. Provide a revised tariff sheet which describes the basis for determination of the amount that each subscriber pays out of this range of charges.

49. Refer to Section 3.8. of the Original Page 27 of the proposed tariff, Operator Services. This section does not include the restrictions and prohibitions against blocking and interception of local exchange carriers' and other competing carriers' operator-assisted services as outlined in the Administrative Case No. 330 Orders. Provide revised tariff sheets in compliance with the Administrative Case No. 330 Orders.

50. Refer to Section 3.8.B.1. of the Original Page 27 of the proposed tariff. Is CWC aware of the June 1, 1990 Order in Case No. 89-168,⁶ AT&T's new rates? Based on Administrative Case No. 330, CWC's rates for operator-assisted services shall not be higher than AT&T's maximum approved rates. Provide a revised tariff sheet consistent with these new rates. A copy of the Order in Case No. 89-168 is attached.

Done at Frankfort, Kentucky, this 9th day of July, 1990.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director

⁶ Case No. 89-168, Proposed Restructure and Repricing of AT&T's Channel Services Tariff.



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
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FRANKFORT, KY. 40602
(502) 564-3940

January 23, 1990

TO: ALL JURISDICTIONAL UTILITIES

RE: Interpreting Interest to be Paid on Customer Deposit

On November 2, 1989, the Commission sent all jurisdictional utilities a letter that interpreted the way interest must be calculated on customer deposits held by all utilities from October 31, 1989 forward. The letter also indicated that all utilities with tariffs that conflict with the provisions of the order issued in Case No. 89-057 shall revise their tariffs no later than November 30, 1989.

We have had many questions regarding proper tariff language; therefore, the following language has been developed for the use of all utilities in their respective tariffs.

"Interest will be paid on all sums held on deposit at the rate of 6 percent annually. The interest will be applied as a credit to the customer's bill or will be paid to the customer on an annual basis. If the deposit is refunded or credited to the customer's bill prior to the deposit anniversary date, interest will be paid or credited to the customer's bill on a pro-rated basis. If interest is not credited to the customer's bill or paid to the customer annually, interest will be computed by a method which will result in an amount no less than that obtained by using a middle course method between simple and compound interest in compliance with Commission Order dated October 31, 1989 in Case No. 89-057. Interest on deposits computed in this manner will accrue until credited to the customer's bill or paid to the customer."

We believe this language clarifies even those utilities' tariffs not specifically in conflict with the Commission's decision and recommend all utilities substitute the language in their tariff with the above language. The language above, or similar language, will clearly describe every utilities' condition for service as required by KRS 278.160 and is recommended to be

ALL JURISDICTIONAL UTILITIES

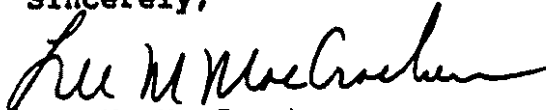
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used by all utilities, even those whose tariffs are not specifically in conflict with the Commission's decision in Case No. 89-057.

If you have any questions regarding this matter, please feel free to contact Phyllis Fannin at (502) 564-7625.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lee M. MacCracken".

Lee M. MacCracken
Executive Director

LMM/BS:lad