

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MATRIX TELECOM FOR)	
A CERTIFICATE OF CONVENIENCE AND)	
NECESSITY TO OPERATE AS A RESELLER)	CASE NO. 90-270
OF TELECOMMUNICATIONS SERVICES)	
WITHIN THE STATE OF KENTUCKY)	

O R D E R

On September 4, 1990, Matrix Telecom ("Matrix") 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 Matrix to file additional information by Order dated October 10, 1990. Matrix filed its response on November 6, 1990. On November 9, 1990, Matrix filed additional information.

On October 10, 1990, South Central Bell Telephone Company filed a motion for full intervention in this proceeding. The Commission granted this motion on October 22, 1990.

Matrix proposes to resell interLATA carriers' tariffed services on an interLATA basis, marketing under the name "Phone Save." Matrix is not seeking authority to provide any operator-assisted telecommunications services.

The financial, managerial, and technical capabilities of Matrix are demonstrated in the application and information provided by Matrix. The service Matrix provides in other jurisdictions is adequate proof of these capabilities.

Matrix's application states that it seeks to provide service to a closed end-user group, the National Association for the Self-Employed ("NASE"). The proposed tariff of Matrix is silent about this limited classification. In the November 6, 1990 response to Commission data request Item 26, Matrix asserted that any individual aware of the offering will be permitted to subscribe, though Matrix plans to market only to NASE members. The Commission finds that availability to the general public of tariffed rates and services is required by KRS 278.170(1). Accordingly, Matrix may not limit the availability of its rates and services to NASE members, nor may Matrix advertise or market its rates and services as though they are available to NASE members only.

The Commission, having considered the application of Matrix and the information provided by Matrix, and being otherwise sufficiently advised, HEREBY ORDERS that:

1. Matrix 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. Matrix shall comply with the provisions of the May 25, 1984 and October 26, 1984 Orders in Administrative Case No. 273.¹

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

3. Matrix's authority to provide service in this Commonwealth is strictly limited to those services described in this Order and Matrix's application.

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

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

6. Matrix's "INWATS 800 Service" and "TRAVEL Service" shall only be provided under the following conditions:

a. Matrix shall measure and report intrastate jurisdictional usage and interLATA and intraLATA usage. Matrix shall file reports with the Commission on a quarterly basis. These reports shall be filed in Case No. 91-036.²

b. Matrix shall inform its prospective customers that the Commission has not authorized it to market or tariff these services to complete intraLATA calls.

c. Matrix shall be prepared to compensate local exchange companies for unauthorized call completion.

7. Section 4.7 of the ORIGINAL SHEET 15 of the proposed tariff concerning Special Promotions is approved. However, Matrix shall file tariff sheets with the Commission prior to providing any Special Promotions.

8. Matrix's tariff shall specifically state that all services are provided only on an "interLATA" basis.

² Case No. 91-036, Jurisdictional Usage Reports.

9. Matrix's tariff shall clarify whether the name "Matrix" or the name "Phone Save" will appear as the long-distance carrier on the end-user's bills. If "Phone Save" is to be used by Matrix, then the tariff shall contain the name "Matrix doing business as Phone Save."

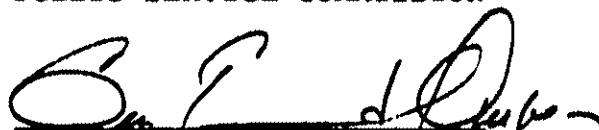
10. Within 30 days from the date of this Order, Matrix shall file its tariff sheets in accordance with 807 KAR 5:011 to conform to the restrictions and conditions of service contained herein.

11. Within 30 days from the date of this Order, Matrix shall supply copies of all advertising to be used in marketing its rates and services in Kentucky.

12. All advertising of Matrix rates and services shall comply with KRS 278.170(1).

Done at Frankfort, Kentucky, this 13th day of March, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director