

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WILTEL, INC. FOR A)	
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY TO PROVIDE)	
INTRASTATE INTEREXCHANGE)	CASE NO. 91-395
TELECOMMUNICATIONS SERVICES)	
WITHIN THE STATE OF KENTUCKY, AND)	
FOR APPROVAL OF ITS INITIAL)	
TARIFF)	

O R D E R

On December 11, 1991, WilTel, Inc. ("WilTel") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to provide intrastate interexchange telecommunications services within the Commonwealth of Kentucky, and for approval of its initial tariff. WilTel also requests a waiver from the provisions of KRS 278.220 in its application.

WilTel acquired Telesphere Communications, Inc. ("Telesphere") through a United States bankruptcy proceeding¹ in December 1991. Telesphere was certified by the Commission on July 3, 1990.² Under the bankruptcy order, WilTel serviced

¹ U.S. Bankruptcy Court for the Northern District of Illinois, Eastern Division. Case Nos. 91B 17581, 91B 19188 and 91B 19189.

² Case No. 90-123, Petition of Telesphere Communications, Inc. for Authority to Acquire Control of a Certified Resale Carrier.

Telesphere's accounts until January 31, 1992 at which time the plan of liquidation approved by the bankruptcy court was fully implemented. On February 1, 1992, WilTel assumed the customer contracts of Telesphere. This Commission approved the acquisition of Telesphere assets by Ronald J. Hann or his designee and International Telecharge, Inc. in a related case.³ WilTel was designated as the carrier for long-distance services for Telesphere customers pending the bankruptcy proceeding. However, WilTel requested in Case No. 91-464 that approval for the transfer of 1+ assets be delayed until a Certificate of Convenience and Necessity to provide long-distance services was granted by this Commission.

WilTel plans to offer a complete line of operator services, initially entering into a subcontract arrangement with an independent operator services center. This service center must be certified by the Commission and fully comply with the conditions enumerated in Administrative Case No. 330.⁴ Eventually, WilTel plans to offer its own operator services, which also must be certified by the Commission.

WilTel's application provides information on the financial, technical, and managerial capabilities of its organization. The

³ Case No. 91-464, Petition for Authority to Transfer Control of International Telecharge, Inc. and for authority to Transfer Assets of Telesphere Limited, Inc.

⁴ Case No. 330, Policy and Procedures in the Provision of Operator-Assisted Telecommunications Services.

proposed tariff presents rates which should be approved as the fair, just, and reasonable rates to be charged. WilTel having been granted the rights to receive certain Telesphere assets pursuant to the Order of the Bankruptcy Court and having demonstrated through its application that it has the financial, technical, and managerial capabilities to provide adequate service to Telephere's customers, the Commission finds that approval should be granted.

On April 2, 1992, WilTel was ordered to provide a copy of the contract pertaining to the subcontracting of operator services. WilTel responded on April 28, 1992, informing the Commission that an executed agreement with an operator services provider had yet to be reached. A Commission decision on WilTel's request to provide operator services shall be held in abeyance until such time that an executed contract can be supplied.

This Commission cannot waive the application of statutes. Therefore, WilTel as a non-dominant carrier shall be subject to all of the Commission rules and regulations pertaining to non-dominant carriers and its request for a waiver of the provisions of KRS 278.220 should be denied.

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

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

2. WilTel is granted authority to acquire the assets granted pursuant to the Bankruptcy Court's Order and necessary for providing services to Telesphere's customers.

3. WilTel shall comply with the provisions in Administrative Case No. 323.⁵

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

5. A Commission decision on WilTel's request to provide operator-assisted services is held in abeyance.

6. The rates proposed by WilTel are hereby approved.

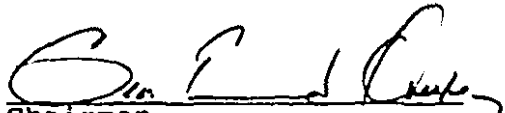
7. Within 30 days from the date of this Order, WilTel shall file its tariff sheets pursuant to 807 KAR 5:011, setting out the rates approved herein and rules governing the provision of service in accordance with the Commission's Orders and administrative regulations.

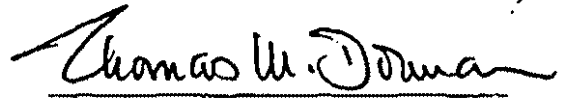
8. WilTel's request for a waiver of the provisions of KRS 278.220 is denied.


⁵ 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, Phase I, Order dated May 6, 1991.

Done at Frankfort, Kentucky, this 4th day of June, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director , Acting