

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF AT&T COMMUNICATIONS)
OF THE SOUTH CENTRAL STATES, INC.) CASE NO. 91-425
TO ADJUST ITS RATES AND CHARGES)

O R D E R

On January 29, 1992, the Commission received a motion for approval of proposed rate changes from AT&T Communications of the South Central States, Inc. ("AT&T"), in order to more effectively respond to competitive pressures in the marketplace. AT&T requests that the Commission rescind the procedural schedule and grant approval of the tariffs as filed. AT&T filed proposed tariffs on December 16, 1991 with the net reduction of \$14,762 as the estimated overall revenue impact. In applying for approval to reprice certain of its General Services and Private Lines Services, AT&T intends to more closely align rates with costs. AT&T has published notice of the proposed rates and no party has intervened in this proceeding.

The Commission, after considering the motion and being otherwise sufficiently advised, finds that AT&T's motion should be denied, because the Commission has not yet concluded its investigation into the reasonableness of the proposed tariff. There has been no showing that AT&T's credit or operations will be materially impaired or damaged by the failure to permit the proposed increased rates to be effective pending the Commission's

investigation. KRS 278.190. However, the Commission will approve the immediate implementation of the rate reductions contained in the proposed tariff to enable AT&T to respond to competitive pressures.

IT IS THEREFORE ORDERED that:

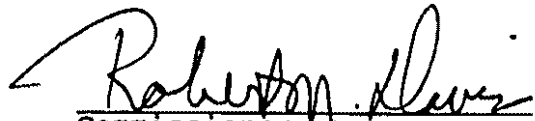
1. AT&T's motion is denied.
2. AT&T shall be authorized to place in effect the proposed rate reductions filed with the Commission on December 16, 1991.
3. Within 20 days of the date of this Order, AT&T shall file a tariff containing the proposed rate reductions with an effective date of the date of this Order.

Done at Frankfort, Kentucky, this 24th day of February, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director