

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF PHONETEL TECHNOLOGIES )  
INC. FOR A CERTIFICATE OF CONVENIENCE )  
AND NECESSITY TO PROVIDE INTRASTATE ) CASE NO. 91-474  
OPERATOR-ASSISTED RESOLD )  
TELECOMMUNICATION AND COCOT SERVICES )  
AS A NON-DOMINANT CARRIER )

O R D E R

On December 24, 1991, PhoneTel Technologies, Inc. ("PhoneTel Technologies") filed an application seeking a Certificate of Public Convenience and Necessity to provide long-distance intrastate interLATA and intraLATA resold telecommunications services; customer-owned, coin-operated telephone ("COCOT") services; and operator-assisted telecommunications services. On February 4, 1992, the Commission ordered PhoneTel Technologies to provide additional information. PhoneTel Technologies' response was filed on March 4, 1992.

PhoneTel Technologies is organized as a corporation in the state of Ohio. PhoneTel Technologies does not own and/or operate any transmission facilities in any jurisdiction.

PhoneTel Technologies intends to resell intrastate telecommunications services of US Sprint Communications Company, MCI Telecommunications Corporation, and AT&T Communications of the South Central States, Inc. As of March 3, 1992 by Order in

Administrative Case No. 323, Phase I,<sup>1</sup> intraLATA toll competition has been authorized with some restrictions. Prior to PhoneTel Technologies providing intraLATA services, PhoneTel Technologies should submit tariff sheets defining PhoneTel Technologies' intent to provide intraLATA resold telecommunications services in compliance with the Orders of Administrative Case No. 323, Phase I.

PhoneTel Technologies proposes to provide operator services using its own operators located at its operator service center. The restrictions and guidelines concerning the provision of operator-assisted services for all non-LECS are contained in Administrative Case No. 330<sup>2</sup> and are attached hereto and incorporated herein as Appendix A.

PhoneTel Technologies also intends to provide COCOT service. The Commission determined in Administrative Case No. 337<sup>3</sup> that COCOT providers are utilities as defined in KRS 278.010 and are therefore subject to the requirements ordered in that case which are attached hereto and incorporated herein as Appendix B.

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<sup>1</sup> 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.

<sup>2</sup> Administrative Case No. 330, Policy and Procedures in the provision of Operator-Assisted Telecommunications Services, Order Dated March 27, 1991.

<sup>3</sup> Administrative Case No. 337, The Investigation and Review of Customer-Owned, Coin-Operated Telephone regulation, Order Dated October 7, 1991.

In response to the Commission's February 4, 1992 Order, PhoneTel Technologies filed on March 11, 1992 an amended proposed tariff which incorporated the provisions necessary to comply with the Commission's Orders in Administrative Case Nos. 330 and 337 relating to the provision of operator-assisted services and COCOT services.

The financial, managerial, and technical capabilities of PhoneTel Technologies have been demonstrated in the application. PhoneTel Technologies should be granted authority to provide intrastate resold telecommunications services, operator-assisted services, and COCOT services subject to all guidelines, requirements, restrictions, and conditions of service addressed in Administrative Case Nos. 330 and 337. The rates proposed by PhoneTel Technologies should be approved as the fair, just, and reasonable rates to be charged.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, HEREBY ORDERS that:

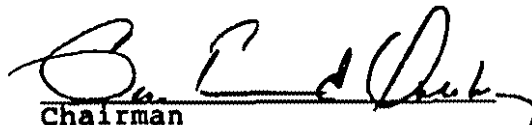
1. PhoneTel Technologies be and it hereby is granted authority to provide long-distance intrastate interLATA and intraLATA resold telecommunications services.
2. PhoneTel Technologies be and it hereby is granted authority to provide intrastate operator-assisted telecommunications services.
3. PhoneTel Technologies be and it hereby is granted authority to provide intrastate COCOT services.
4. The rates proposed by PhoneTel Technologies are hereby approved.

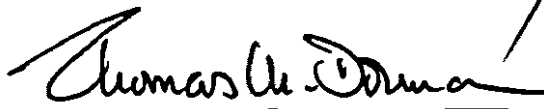
5. Within 30 days from the date of this Order, PhoneTel Technologies shall file its tariff sheets pursuant to 807 KAR 5:001, setting the rates approved herein and all rules governing the provision of service in accordance with the Commission's Orders and administrative regulations.

6. Prior to the provision of any intrastate intraLATA telecommunications services authorized above, PhoneTel Technologies shall file revised tariff sheets defining PhoneTel Technologies' intention to provide such services in compliance with the Orders in Administrative Case No. 323.

Done at Frankfort, Kentucky, this 7th day of May, 1992.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director , Acting

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 91-474 DATED 5/7/92

Conditions of Service for the Provision of Operator  
Services Adopted from Commission Orders in  
Administrative Case No. 330, Orders Dated March 27,  
1991 and May 3, 1991.

PhoneTel Technologies, Inc. has revised its tariff to conform to the policies and procedures for the provision of operator-assisted telecommunications services by non-local exchange carriers, which are as follows:

(a) Operator-assisted services shall be subject to rate regulation and rates shall not exceed AT&T's maximum approved rates. "Maximum approved rates" is defined to mean the rates approved by this Commission in AT&T's most recent rate proceeding for measured toll service applicable to operator-assisted calls, as well as the additional charges for operator assistance. Carriers are not permitted to include any other surcharges or to bill for uncompleted calls. Time-of-day discounts shall also be applicable. Carriers are also required to rate calls using the same basis that AT&T uses to rate calls, i.e., distance calculations based on points-of-call origination and termination, definitions of chargeable times, billing unit increments, rounding of fractional units, and minimum usages. When there is any change in AT&T's maximum approved rates, carriers shall file tariffs if necessary to comply with the

requirements herein within 30 days of the effective date of AT&T's rate change.

(b) Except as otherwise indicated in this Order, non-dominant carriers shall be subject to regulation as delineated in the May 25, 1984 Order in Administrative Case No. 273 as well as any subsequent modifications to non-dominant carrier regulations. In the event of conflict, the terms of the instant Order shall take precedence, unless a carrier is specifically relieved from compliance with any conditions contained herein. AT&T shall remain subject to regulatory oversight as a dominant carrier.

(c) Operator service providers that provide service to traffic aggregators shall not allow access to the operator services of competing carriers to be blocked or intercepted. Blocking and interception prohibitions shall be included in tariffs and all contracts entered into with any traffic aggregator and shall state that violators will be subject to immediate termination of service after 20 days' notice to the owners of non-complying customer premises equipment.

(d) Access to the local exchange carriers' operators shall not be blocked or otherwise intercepted by traffic aggregators. Specifically, all "0-" calls, that is, when an end-user dials zero without any following digits, shall be directed to the local exchange carrier operators. In equal access areas, "0+" intraLATA calls, that is, when an end-user dials zero and then dials the digits of the called telephone number, shall not be intercepted or blocked. In non-equal access areas, it is prohibited to block or intercept "0-" calls; however, it is permissible to intercept "0+"

calls. Blocking and interception prohibitions shall be included in tariffs and all contracts entered into with any traffic aggregator and shall state that violators will be subject to immediate termination of service after 20 days' notice to the owners of non-complying customer premises equipment.

(e) Carriers shall not be required to provide access codes of competitors. Each carrier should advise its own customers as to the appropriate 10XXX access code.

(f) Carriers shall provide tent cards and stickers to traffic aggregators to be placed near or on telephone equipment used to access their services and shall include provisions in tariffs and contracts entered into with any traffic aggregator that subject violators to immediate termination of service after 20 days' notice to the owners of non-complying customer premises equipment.

(g) Operators shall identify the carrier at least once during every call before any charges are incurred.

(h) Operators shall provide an indication of the carrier's rates to any caller upon request.

(i) Carriers shall not accept calling cards for billing purposes if they are unable to validate the card.

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 91-474 DATED 5/7/92

Minimum Requirements for COCOT Utilities, Except for Coin-Only COCOT Utilities that Provide Only Access to the Network, Adopted from Commission Orders in Administrative Case No. 337 Dated October 7, 1991, November 8, 1991, January 21, 1992, and February 28, 1992.

PhoneTel Technologies, Inc. has conformed its tariff to comply with the Commission's requirements for the provision of COCOT service, except for Coin-Only COCOT utilities that provide only access to the network, which are as follows:

(a) PhoneTel Technologies, Inc. does not charge rates that exceed AT&T's maximum approved rates for interLATA calls and, upon implementation of intraLATA competition pursuant to Administrative Case No. 323, Phase I, LEC rates for intraLATA calls. "Maximum approved rates" is defined to mean the rates approved by this Commission in AT&T's and the LEC's most recent rate proceeding for measured toll service applicable to operator-assisted calls, as well as the additional charges for operator assistance. PhoneTel Technologies, Inc. does not include any other surcharges and does not bill for uncompleted calls. Time-of-day discounts are also applicable. PhoneTel Technologies, Inc. rates calls using the same basis that AT&T or the LECs use to rate calls, i.e., distance calculations based on points-of-call origination and termination,



definitions of chargeable times, billing unit increments, rounding of fractional units, and minimum usages.

(b) PhoneTel Technologies, Inc. does not allow access to the services of competing carriers to be blocked or intercepted. Violators will be subject to immediate termination of service after 20 days' notice to the non-complying customer.

(c) Access to the local exchange carrier's operators shall not be blocked or otherwise intercepted. Specifically, all "0-" calls, that is, when an end-user dials zero without any following digits, shall be directed to the local exchange carrier operators. In equal access areas, "0+" intraLATA calls shall not be intercepted or blocked. "0+" calls occur when an end-user dials zero and then dials the digits of the called telephone number. In non-equal access areas, it is prohibited to block or intercept "0-" calls; however, it is permissible to intercept "0+" calls. Violators will be subject to immediate termination of service after 20 days' notice to the non-complying customer to which PhoneTel Technologies, Inc. is presubscribed for operator services.

(d) Where an end-user utilizing PhoneTel Technologies, Inc. dials "0+" seven or ten digits for an intraLATA call, PhoneTel Technologies, Inc. will not intercept or block the call, but will allow it to be carried by the LEC.

(e) Where an end-user utilizing PhoneTel Technologies, Inc. dials 10XXX-0+, PhoneTel Technologies will allow the call to be carried by the identified carrier.

(f) PhoneTel Technologies, Inc. is not required to provide access codes of competitors.

(g) PhoneTel Technologies, Inc. provides stickers to be placed near or on its telephone equipment specifying the name, address, and telephone number of the entity presubscribed for operator services. Violators are subject to immediate termination of service after 20 days' notice to the non-complying customer.

(h) PhoneTel Technologies, Inc. requires that if an operator service provider rates and bills calls, then the operator service provider must be identified to end-users at least once during every call before any charges are incurred.

(i) PhoneTel Technologies, Inc. provides a way for any caller, upon request, to be informed as to the applicable rates.

(j) PhoneTel Technologies, Inc. does not accept calling cards for billing purposes if it is unable to validate the card.

(k) PhoneTel Technologies, Inc. carries intraLATA calls only if the carrier that carries the call is authorized to carry intraLATA traffic.

(l) Payphone services in correctional facilities and mental health facilities are provided by PhoneTel Technologies, Inc. in accordance with the following requirements: Inmate phone service will only provide automated collect and debit card service for local and long-distance calls from payphones located at correctional or mental health facilities in accordance with institutionally authorized telephone programs.