

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NORSTAN NETWORK)
SERVICES, INC. FOR AUTHORITY TO) CASE NO. 92-041
OPERATE AS A LONG DISTANCE RESELLER)
IN KENTUCKY)

O R D E R

On January 28, 1992, Norstan Network Services, Inc. ("Norstan Network") filed an application seeking a Certificate of Public Convenience and Necessity to provide long-distance intrastate interLATA resold telecommunications services including operator-assisted services.

On March 24, 1992, the Commission ordered Norstan Network to file additional information. Norstan Network filed its response on April 10, 1992. Norstan Network intends to resell telecommunications services of US Sprint Communications Company including operator-assisted services within the Commonwealth of Kentucky. Norstan Network does not intend to provide any payphone services.

As of March 3, 1992, by Order in Administrative Case No. 323, Phase I,¹ intraLATA toll competition has been authorized with some restrictions. Prior to Norstan Network providing intraLATA

¹ 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.

services, Norstan Network should submit revised tariff sheets in compliance with the Orders of Administrative Case No. 323, Phase I.

The Commission established Administrative Case No. 330² to address the restrictions and guidelines for the provision of operator-assisted services by all non-LECs. Based on its application, Norstan Network appears fully aware of Administrative Case No. 330 and has stated its ability and intent to comply with the Orders issued in that case. Norstan Network should submit a revised tariff to conform to the policies and procedures for the provision of operator-assisted telecommunications services by non-local exchange carriers, which are attached hereto and incorporated herein as Appendix A.

The financial, managerial, and technical capabilities of Norstan Network have been demonstrated in the application and Norstan Network's response to the Commission's Order. Norstan Network should be granted authority to provide long-distance intrastate interLATA resold telecommunications services including operator-assisted services subject to all guidelines, requirements, restrictions, and conditions of service addressed in Administrative Case No. 330.

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

² Administrative Case No. 330, Policy and Procedures in the Provision of Operator-Assisted Telecommunications Services, Orders dated March 27, 1991 and May 3, 1991.

1. Norstan Network be and it hereby is granted authority to provide long-distance intrastate interLATA resold telecommunications services.

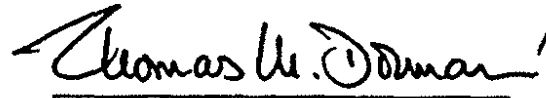
2. Norstan Network be and it hereby is granted authority to provide intrastate resold operator-assisted telecommunications services, subject to all restrictions, conditions of service, and guidelines described in the March 27, 1991 and May 3, 1991 Orders in Administrative Case No. 330. Within 30 days from the date of this Order, Norstan Network shall file its revised tariff sheets, pursuant to 807 KAR 5:011, to conform to the policies and procedures for the provision of operator-assisted telecommunications services by non-local exchange carriers, which are attached hereto and incorporated herein as Appendix A, and all rules governing the provision of service in accordance with the Commission's Orders and administrative regulations.

3. Prior to the provision of intrastate intraLATA resold telecommunications services, Norstan Network shall file tariff sheets defining Norstan Network's intention to provide such services in compliance with the Orders in Administrative Case No. 323, Phase I.

Done at Frankfort, Kentucky, this 30th day of April, 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. 92-041 DATED 4/30/92

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.

Norstan Network Services, Inc. shall revise 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 who 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.