

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CHILLOCOTHE LONG DISTANCE)
COMPANY FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO TRANSACT THE) CASE NO.
BUSINESS OF A RESELLER OF INTEREXCHANGE) 93-429
TELECOMMUNICATIONS SERVICES AND FOR APPROVAL)
OF ITS INITIAL TARIFF)

O R D E R

On November 15, 1993, Chillicothe Long Distance Company ("Chillicothe") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to provide intrastate, long-distance telecommunications services as a reseller within the Commonwealth of Kentucky.

Chillicothe is an Ohio corporation proposing to resell the services of carriers currently certified within the Commonwealth of Kentucky in accordance with the terms and conditions set forth in its tariff. Chillicothe also seeks the authority to provide operator-assisted telecommunications services in accordance with Administrative Case No. 330¹ as summarized in Appendix A.

Chillicothe employs no transmission or reception telecommunications equipment or facilities in the performance of its services, and all facilities, equipment, and networking will be

¹ Administrative Case No. 330, Policy and Procedures in the Provision of Operator-Assisted Telecommunications Services, Orders dated March 27, 1991 and May 3, 1991.

provided by the underlying carrier. Chillicothe will not construct any new facilities in the Commonwealth of Kentucky.

The information provided by Chillicothe demonstrates its financial, managerial, and technical capability to provide operator and intrastate, long-distance telecommunications service. The rates proposed November 15, 1993 and amended February 4, 1994 should be approved as the fair, just, and reasonable rates to be charged, with the following revision:

1) Refer to Original Page No. 25 filed on November 15, 1993. This page should contain language that the late payment penalty will be assessed only once on any bill for service rendered and that any payment shall first be applied to the bill for service rendered.

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

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

2. Chillicothe be and it hereby is granted authority to provide operator service within the Commonwealth of Kentucky on and after the date of this Order.

3. Chillicothe shall comply with the provisions of the Orders in Administrative Case No 323.²

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

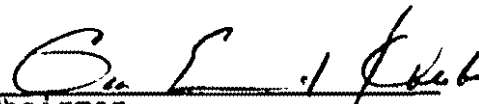
5. The rates and charges proposed by Chillicothe are hereby approved, as filed on November 15, 1993 and revised on February 4, 1994, with the exception as stated above.


6. Within 30 days from the date of this Order, Chillicothe shall file its revised tariff sheets in accordance with 807 KAR 5:011, and the restrictions and conditions of service contained herein, as proposed in filings made November 15, 1993 and February 4, 1994.

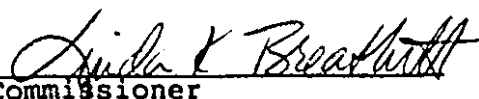
² Administrative Case No. 323, An Inquiry Into IntraLATA Toll Competition, An Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality, Phase I, Order dated May 6, 1991.

Done at Frankfort, Kentucky, this 2nd day of March, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 93-429 DATED MARCH 2, 1994.

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.

(1) Operator-assisted services shall be subject to rate regulation and rates shall not exceed AT&T Communications of the South Central States, Inc.'s ("AT&T") 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.

(2) 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.

(3) 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.

(4) Traffic aggregator is defined to mean any person that, in the ordinary course of its operations, makes telephones available to the public or to transient users of its premises for intrastate telephone calls using a provider of operator services. Aggregators include hotels and motels, hospitals, universities, airports, gas stations, and non-local exchange carrier pay telephone owners. This definition includes the provision of all non-local exchange carrier pay telephones even if no compensation is paid to the owner of the pay telephone. The residential use of operator services is specifically excluded from this definition.

(5) 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.

(6) 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.

(7) 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.

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

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

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