

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EQUAL NET COMMUNI-)
CATIONS, INC. FOR A CERTIFICATE TO) CASE NO. 94-227
RESELL TELECOMMUNICATIONS SERVICE)

O R D E R

On June 6, 1994, Equal Net Communications, Inc. ("Equal Net") filed an application with the Commission seeking a Certificate of Public Convenience and Necessity to resell intrastate long-distance telecommunications services within the Commonwealth of Kentucky. On August 10, 1994, Equal Net filed additional information in response to the Commission's August 1, 1994 Order.

In its August 10, 1994 response to the Commission's Order, Equal Net admitted that it had received compensation for the provision of intrastate telecommunications services within the Commonwealth of Kentucky prior to obtaining the authority granted herein. Pursuant to discussions with Commission staff, Equal Net filed an affidavit verifying that refunds or credits had been made to current and previous customers. Also included was a \$100 check to the Kentucky State Treasurer as voluntary payment pursuant to KRS 278.990.

Equal Net is a Texas corporation with its principal offices in the state of Texas and intends to resell tariffed services of facilities-based carriers certified by this Commission. Equal Net

also requests authority to provide operator-assisted telecommunications services.

Equal Net does not own or operate, nor does it intend to construct, any telecommunications transmission facilities within the Commonwealth of Kentucky. All intrastate telecommunications transmission services will be provided by an underlying carrier certified by this Commission.

Equal Net filed its proposed tariff on June 6, 1994. In response to the Commission's request for additional information, Equal Net filed a revised tariff on August 10, 1994. The Commission finds that Equal Net has not revised its tariff to comply with the restrictions, guidelines, and conditions of service established for the provision of operator-assisted services in Administrative Case No. 330,¹ which are attached hereto and incorporated herein as Appendix A. Equal Net should file revised tariff sheets with the following modifications:

1. Refer to Original Page 28. Usage charges for operator assisted services should not exceed AT&T of the South Central States, Inc.'s current tariffed rates for comparable services.

2. Refer to Original Page 28, Section 4.3.10, Unassisted Call Surcharges. The Customer-Dialed Coin Sent-Paid charge should be no higher than \$.80 per call.

3. References to "Vermont PSB No. 1" in the header of Original Sheets 22-29 should be deleted.

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

The application provided by Equal Net demonstrates its financial, managerial, and technical capability to provide utility service. The Commission finds that Equal Net should be authorized to resell intrastate long-distance telecommunications services within the Commonwealth of Kentucky.

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

1. Equal Net be and it hereby is granted authority to resell intrastate long-distance telecommunications services within the Commonwealth of Kentucky.

2. Equal Net be and it hereby is granted authority to provide intrastate operator-assisted services within the Commonwealth of Kentucky.

3. Equal Net's authority to provide service is strictly limited to those services described in this Order and Equal Net's application.

4. IntraLATA services shall be provided in accordance with the restrictions and conditions of service contained in Administrative Case No. 323.²

5. The rates proposed by Equal Net on June 6, 1994, as revised on August 10, 1994, are hereby approved with the exceptions noted herein.

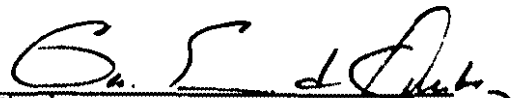
² Administrative Case No. 323, An Inquiry Into IntraLATA Toll Competition, An Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality, Phase I, Order Dated May 6, 1991.

6. Within 30 days from the date of this Order, Equal Net shall file, pursuant to 807 KAR 5:011 its August 10, 1994 tariff with the modifications specified herein and which conform to the restrictions and conditions of service contained herein.

7. The voluntary payment made pursuant to KRS 278.990 and customer credits or refunds for intrastate calls made prior to the authority granted herein are reasonable satisfaction for Equal Net's unauthorized service.

Done at Frankfort, Kentucky, this 19th day of January, 1995.

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. 94-227 DATED January 19, 1995

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" are 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.