COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CARIBBEAN TELEPHONE AND TELEGRAPH, INC. FOR AUTHORIZATION, PERMISSION OR CERTIFICATE, THUS: APPROVAL TO BEGIN TO RESELL INTEREXCHANGE TELEPHONE SERVICE TO THE PUBLIC IN THE STATE OF KENTUCKY	)	CASE NO. 95-232

O R D E R

On May 22, 1995, Caribbean Telephone and Telegraph, Inc. ("Caribbean Telephone") filed an application with the Commission seeking a Certificate of Public Convenience and Necessity to resell intrastate interexchange long-distance telecommunications services within the Commonwealth of Kentucky. On September 6, 1995, Caribbean Telephone filed its response to the Commission's July 21, 1995 Order requesting additional information.

Caribbean Telephone is a Michigan corporation with its principal offices in the state of Michigan and intends to resell tariffed services of facilities-based carriers certified by this Commission. Caribbean Telephone requests authority to provide operator-assisted telecommunications services.

Caribbean Telephone 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.

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

Caribbean Telephone filed its proposed tariff on May 22, 1995. In response to the Commission's request for additional information, Caribbean Telephone filed revised tariff sheets on September 6, 1995. The Commission finds that Caribbean Telephone has 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. The Commission further finds that the rates proposed by Caribbean Telephone, as revised on September 6, 1995, should be approved as the fair, just, and reasonable rates to be charged.

In Administrative Case No. 306[2] the Commission stated the importance of eliminating possible customer confusion arising from the name of the billing service, rather than the name of the provider of telecommunications services, appearing on the bill. Accordingly, Caribbean Telephone should ensure that its name

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

2 Administrative Case No. 306, Detariffing Billing and Collection Services, Order Dated April 30, 1990.

appears prominently on all bills issued to customers for services rendered.

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

1. Caribbean Telephone be and it hereby is granted authority to resell intrastate interexchange long-distance telecommunications services within the Commonwealth of Kentucky on and after the date of this Order.

2. Caribbean Telephone be and it hereby is granted authority to provide intrastate operator-assisted services within the Commonwealth of Kentucky on and after the date of this Order.

3. Caribbean Telephone shall ensure that its name appears prominently on all bills issued to customers for services rendered.

4. Caribbean Telephone's authority to provide service is strictly limited to those services described in this Order and Caribbean Telephone's application, and the conditions described in this Order and in Appendix A.

5. IntraLATA services shall be provided in accordance with the restrictions and conditions of service contained in Administrative Case No. 323.[3]

6. The rates proposed by Caribbean Telephone on May 22, 1995, as revised on September 6, 1995, are hereby approved.

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[3] 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.

7. Within 30 days from the date of this Order, Caribbean Telephone shall file, pursuant to 807 KAR 5:011, its May 22, 1995 tariff sheets, as revised on September 6, 1995, without further modifications.

Done at Frankfort, Kentucky, this 2nd day of October, 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. 95-232 DATED OCTOBER 2, 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.