COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SEPARATION OF COSTS OF REGULATED TELEPHONE SERVICE FROM COSTS OF NONREGULATED ACTIVITIES

) ADMINISTRATIVE) CASE NO. 362

<u>ORDER</u>

On March 19, 1997, the Commission opened this proceeding to address the separation of costs between regulated and nonregulated operations as specifically noted in the Federal Communications Commission's ("FCC's") proceeding 96-490, CC Docket No. 96-150. The Commission sought comments and revised Cost Allocation Manuals ("CAMs"). With this Order the Commission will additionally require the revision of tariffs to deregulate those offerings mentioned in the Order, namely telemessaging services and alarm monitoring services. The Commission has addressed the deregulation of payphone services in Administrative Case No. 361.¹

The Commission's Order at 4 listed services including "Telemarketing Services"; this should have read "Telemessaging Services." Note this change in compiling a revised CAM and filing of any comments.

IT IS THEREFORE ORDERED that, on or before May 19, 1997, all local exchange companies shall file revised tariffs removing telemessaging services and alarm monitoring services, as defined by the FCC.

Administrative Case No. 361, Deregulation Of Local Exchange Companies' Payphone Service.

Done at Frankfort, Kentucky this 23rd day of April, 1997.

PUBLIC SERVICE COMMISSION

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Chairman

Vice Chairman

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ATTEST:

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Executive Director