

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WINSTAR WIRELESS OF)
KENTUCKY, INC. FOR A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY TO) CASE NO. 96-249
PROVIDE INTERLATA AND INTRALATA PRIVATE)
LINE SERVICES THROUGHOUT THE STATE OF)
KENTUCKY)

O R D E R

On May 23, 1996, WinStar Wireless of Kentucky, Inc. ("WinStar Wireless") filed an application with the Commission seeking a Certificate of Public Convenience and Necessity to provide intrastate telecommunications services within the Commonwealth of Kentucky. Deficiencies in the application were cured on June 24, 1996.

WinStar Wireless is a Delaware corporation with its principal office in the state of Virginia and intends to provide high-capacity, non-switched (dedicated) interLATA and intraLATA private line competitive telecommunications services within Kentucky. Specifically, WinStar Wireless seeks authority to provide high-speed, digital telecommunications services, often referred to as competitive access provider ("CAP") services, over its microwave network to telecommunications customers. These services will compete directly with similar services provided by local exchange carriers and interexchange carriers. WinStar Wireless does not seek authority to provide basic local exchange service.

WinStar has been licensed by the Federal Communications Commission ("FCC") to provide radio microwave services in the 38.6 to 40.0 Ghz radio band on an interstate basis and has constructed microwave networks for high-capacity interstate services in various markets throughout the United States including Cincinnati, Ohio. WinStar Wireless is in the process of obtaining intrastate authority in all states in which it will offer interstate services.

Pursuant to Administrative Case No. 355,¹ WinStar Wireless is required to post a bond or establish an escrow account to pay its Universal Service Fund obligations in an amount equal to 6 percent of its gross receipts from the provision of intrastate service.

The application provided by WinStar Wireless demonstrates its financial, managerial, and technical capability to provide utility service. The Commission finds that WinStar Wireless should be authorized to provide intrastate telecommunications services within the Commonwealth of Kentucky.

WinStar Wireless filed its proposed tariff on May 23, 1996. The Commission finds that the rates proposed by WinStar Wireless should be approved as the fair, just, and reasonable rates to be charged, with the following modifications:

1. Refer to Original Page No. 18, Section 2.7.3, Deposits. Revise this section to comply with 807 KAR 5:006, Section 7. Specifically, interest shall accrue as required by 807 KAR 5:006, Section 7(6).
2. Refer to Original Page No. 28, Section 4.1.2, DS-3 Rates. Include the rates for DS-3 service.

¹ Administrative Case No. 355, An Inquiry Into Local Competition, Universal Service and the Non-Traffic Sensitive Access Rate.

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, WinStar Wireless should ensure that its name 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. WinStar Wireless is granted authority to provide intrastate telecommunications services within the Commonwealth of Kentucky on and after the date of this Order.

2. Within 30 days of the date of this Order, WinStar Wireless shall submit evidence of posting a bond or establishing an escrow account to pay its Universal Service Fund obligations in an amount equal to 6 percent of its gross receipts from the provision of intrastate service prior to providing such service.

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

4. WinStar Wireless' authority to provide service is strictly limited to those services described in this Order and WinStar Wireless' application.

5. The rates proposed by WinStar Wireless on May 23, 1996, with the modifications noted herein, are hereby approved.

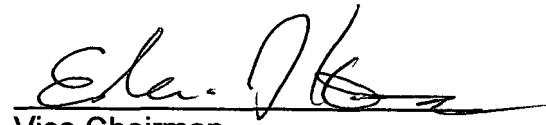
² Administrative Case No. 306, Detariffing Billing and Collection Services, Order Dated April 30, 1990.

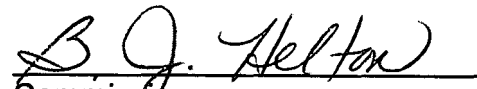
6. Within 30 days from the date of this Order, WinStar Wireless shall file, pursuant to 807 KAR 5:011, its May 23, 1996 tariff sheets, with only the modifications noted herein.

Done at Frankfort, Kentucky, this 14th day of July, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director