COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF BELLSOUTH TELECOMMUNICATIONS, INC. TO MIRROR FCC INTERSTATE ACCESS RATES

CASE NO. 98-065

<u>O R D E R</u>

On January 30, 1998, BellSouth Telecommunications, Inc. ("BellSouth") filed a proposed tariff which mirrored Federal Communications Commission ("FCC") interstate access rates and structure changes. BellSouth proposed that the tariff become effective on and after February 1, 1998 to comply with its price regulation plan.

Although BellSouth's tariff filing generally mirrors FCC access rates and structure changes, there are exceptions which impact the Kentucky Non-Traffic Sensitive revenue requirement. Interstate access reform is triggering the proposed changes. The Commission finds that further investigation is needed to determine the reasonableness of these exceptions. The proposed tariff should be effective February 1, 1998 on an interim basis subject to Commission modifications. Any modifications mandated by the Commission in this investigation may be applied to service rendered on and after February 1, 1998.

IT IS THEREFORE ORDERED that:

1. The proposed tariff filing of BellSouth shall be effective February 1, 1998 on an interim basis pending further investigation.

Any modification ordered by the Commission shall be applied to service 2. rendered on and after February 1, 1998, unless otherwise ordered.

Done at Frankfort, Kentucky, this 2nd day of February, 1998.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST: Executive Director