

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DUO COUNTY TELEPHONE'S)	
AVOIDED COST METHODOLOGY)	CASE NO. 99-376
AND STUDY)	

O R D E R

Duo County Rural Telephone Cooperative Corporation, Inc. ("Duo County") prepared an avoided cost study pursuant to the Commission's Order in Administrative Case No. 355 and the Federal Communications Commission's ("FCC") rules in Docket No. 96-325.¹ An informal conference was held to discuss the first submission of Duo County. Subsequent to the informal conference Duo County filed an additional study. In connection to the study most recently filed, the Commission has additional questions.

IT IS THEREFORE ORDERED that Duo County shall respond to the following requests for information within 20 days of the date of this Order:

1. Provide source documentation and/or analysis to determine intrastate intraLATA toll revenue. If the source document is not the analysis produced by BellSouth Telecommunications, Inc. ("BellSouth") in determining settlements between class A and class B carriers, explain why BellSouth's analysis was not used.

2. Provide source documentation and/or analysis to determine intrastate, intraLATA non-traffic sensitive revenue ("NTSR") local support revenue and intrastate,

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

interLATA NTSR local support revenue. Explain in detail: (1) what intrastate interLATA and intraLATA NTSR local support revenue represents, (2) the inputs used in the determination of Item 1, (3) the entity which provides the revenue flow, and (4) the analysis showing the calculation of the NTSR support revenue reflected in the avoided cost study.

3. Provide a copy of the study performed by John Staurulakis, Inc. ("JSI") that determined "local costs." Also include a revenue study that separates revenue in the same manner as that used in the cost study. Do the expenses noted as local in the revised study include intrastate toll revenues? If not, explain why not. If not, why should the revenue denominator include intraLATA toll revenues?

Done at Frankfort, Kentucky, this 21st day of March, 2000.

By the Commission

ATTEST:


Executive Director