

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE REDUCTION OF INTRASTATE)	
TOLL RATES AS A RESULT OF THE)	
ELIMINATION OF THE RESIDUAL)	CASE NO. 2000-069
INTERCONNECTION CHARGE OF GTE)	
SOUTH INCORPORATED)	

O R D E R

On January 11, 2000, GTE South Incorporated ("GTE South") filed tariffs eliminating the residual interconnection charge ("RIC") from its intrastate access tariff and that of Contel of Kentucky, Inc. d/b/a GTE Kentucky ("Contel"). The tariffs became effective on January 31, 2000. The total reduction in access charges was \$5,639,366. GTE South's share of the reduction was \$4,630,866, and Contel's share was \$1,008,500.

In Case No. 97-074,¹ the Commission required interexchange carriers ("IXCs") to make reductions in their toll rates as a result of reduced access payments to BellSouth Telecommunications, Inc. ("BellSouth"). Similar flow-throughs have been required in Case No. 94-121.² The Commission will continue this policy in this case and require all IXCs receiving a benefit from the elimination of the RIC charge of GTE South and

¹ Case No. 97-074, BellSouth Telecommunications, Inc.'s Application to Restructure Rates.

² Case No. 94-121, BellSouth Telecommunications, Inc. d/b/a South Central Bell Telephone Company to Modify Its Method of Regulation.

Contel to flow-through such reductions to their toll rates. The Commission will also require all IXCs to file an exhibit showing the services whose prices were reduced, the amount of the reduction for each service, and the total reduction made.

The Commission being sufficiently advised, IT IS THEREFORE ORDERED that:

1. By March 15, 2000, all IXCs affected by the elimination of the RIC charge by GTE South and Contel shall file tariffs demonstrating that they have reduced intrastate long-distance toll rates in the amount equal to the access charge reduction.

2. By March 15, 2000, all IXCs filing revised tariffs shall also file an exhibit showing the rate reduction for each service whose prices were reduced as a result of the RIC elimination.

Done at Frankfort, Kentucky, this 24th day of February, 2000.

By the Commission

ATTEST:

Executive Director