COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE PROPOSED NEW PROCEDURES OF BELLSOUTH) CASE NO. TELECOMMUNICATIONS, INC. FOR FILING CONTRACT) 2001-077 SERVICE ARRANGEMENTS AND PROMOTIONS)

ORDER

BellSouth Telecommunications, Inc. ("BellSouth") has filed an application to alter the procedures for Commission review of contract service arrangements ("CSAs"), special assemblies contracts, and promotions. BellSouth proposes that the Commission review CSAs and special assemblies contracts on a quarterly basis. BellSouth plans to submit to the Commission a summary that includes the customer's name, the date of the contract, the services provided, and the contract rates. A redacted version, omitting the customer's name, would be submitted for the public file. As BellSouth proposes, the Commission would then approve the contracts. However, BellSouth would be authorized to provide contract services upon executing a contract. Should the Commission lower the contract rate, then BellSouth would refund to the customer the difference between the contract rate and the Commission's approved rate. Should the Commission require BellSouth to increase its rates, then the customer would have the option to continue the contract at the new rate or to terminate the contract.

BellSouth proposes to alter the Commission's review of its promotions available for resale pursuant to the following procedures: BellSouth will submit to the Commission, 40 days prior to the start of a promotion, written notice that such promotion has been posted to BellSouth's Web site. For promotions that are not

available for resale, BellSouth proposes to submit notice to the Commission 30 days prior to the effective date. One day prior to the effective date, BellSouth would file with the Commission a final description of the promotion along with the revenue/cost analysis demonstrating that the promotion covers its costs. After the submittal, the Commission would either issue a letter approving the promotion or require further investigation. If further investigation is required, then BellSouth would have the option of withdrawing the promotion or complying with the Commission's requirement.

BellSouth asserts in its petition that the Commission has the authority to make these changes pursuant to KRS 278.160, KRS 278.180, and KRS 278.512.

In order to fully consider BellSouth's petition, the Commission HEREBY ORDERS that:

- 1. All persons who are parties to Case No. 99-434, regarding BellSouth's Transition Regulation Plan, shall be parties to this proceeding.¹
- 2. Within 20 days of the date of this Order, all parties shall submit data requests regarding this petition to BellSouth.
- 3. Within 40 days of the date of this Order, BellSouth shall respond to any data requests.
- 4. Within 60 days of the date of this Order, any party desiring to have a public hearing regarding BellSouth's petition shall specify such request in writing and delineate each issue to be addressed. If no such requests for hearing are received,

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¹ 99-434, The Review of BellSouth Telecommunications, Inc.'s Price Regulation Plan.

then this matter shall stand submitted to the Commission for final determination without further Orders herein.

Done at Frankfort, Kentucky, this 15th day of May, 2001.

By the Commission

ATTEST:

Executive Director