

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CALL U.S. OF KENTUCKY,)
INC. FOR CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO PROVIDE) CASE NO. 8684
RESALE OF TELECOMMUNICATION SERVICES)
AND FACILITIES WITHIN KENTUCKY)

O R D E R

On October 18, 1982, Call U.S. of Kentucky, Inc., ("Call U.S.") filed an application requesting a certificate of public convenience and necessity to provide telecommunications services within the Commonwealth of Kentucky through the resale of intrastate wide area telecommunications service ("WATS") which would be obtained from existing regulated telephone utilities operating in Kentucky. At that time the WATS tariff of South Central Bell Telephone Company ("Bell"), concurred in by all other telephone utilities in Kentucky, prohibited the resale of intrastate WATS.

After considering the matter, the Commission determined that an administrative proceeding should be established (Administrative Case No. 261), and a public hearing be held to determine the reasonableness of Bell's tariff prohibition of intrastate WATS resale.

On February 11, 1983, Bell filed a motion requesting that the public hearing in Administrative Case No. 261 be continued and

consolidated with hearings on proposed restructured tariff filings for intrastate WATS. A public hearing in Administrative Case No. 261 was held on May 17, 1983.

On September 2, 1983, the Commission entered an Order in Administrative Case No. 261 which stated that Bell's application for the removal of the prohibition against the resale of intrastate WATS and the restructuring of intrastate WATS rates was approved and would become effective November 1, 1983. The Commission further ordered that the prohibition against the resale and sharing of private line services remain in effect, and that any party desiring to resell intrastate WATS shall obtain a certificate of public convenience and necessity and comply with the rules and regulations of the Commission prior to offering such service.

A public hearing was held in this case on October 4, 1983. No intervenors appeared at the hearing.

DISCUSSION

Call U.S. of Kentucky, Inc., was incorporated as a subsidiary of Call U.S., Inc., of Knoxville, Tennessee. On September 28, 1983, Call U.S. of Kentucky, Inc., was merged into Call U.S., Inc. Call U.S. of Kentucky, Inc., had been in business in the Commonwealth of Kentucky since January, 1983. Call U.S. will continue providing services to the citizens of central Kentucky by leasing WATS lines from common carriers and making these services

available to the public on a measured basis. Call U.S. will continue reselling interstate telecommunications from its Lexington, Kentucky, offices, and from a technical standpoint resale of intrastate WATS is practically indistinguishable from interstate resale.

Call U.S. will continue to use a data point long distance control system to switch calls. This piece of equipment is capable of connecting over 90 input lines to 83 output trunks via an analog reed-relay matrix. This switch uses computer logic to select and connect appropriate output facilities, as well as to monitor and record all actions for use in subsequent billing process. The system in the Lexington office of Call U.S. is leased and under a maintenance contract with Datapoint Corporation of San Antonio, Texas.

Call U.S. presently has 756 commercial customers and 221 residential customers in its Kentucky operation, and during the month of August, 1983, 457 of the commercial customers actually used its service. During the same period there were 3,392 calls made by the residential customers.

Call U.S. will serve Fayette and the surrounding counties, and plans to grow between 50 and 100 percent in the next year in Kentucky. The Lexington switch presently has about nine input lines which have less than 15 minutes of use per day. Call U.S. claims this results in approximately a 1 percent blocking rate and does not plan to degrade this service.

FINDINGS AND ORDER

The Commission, having considered the application and evidence of record and being advised, is of the opinion and finds that:

(1) Public convenience and necessity require that the resale of intrastate WATS as is proposed in the application and record be performed, and that a certificate of convenience and necessity be granted; and

(2) The rates and charges proposed in the application and exhibits are fair, just and reasonable, and should be effective with the institution of proposed service.

IT IS THEREFORE ORDERED that Call U.S. be and it hereby is granted a certificate of public convenience and necessity to resell intrastate WATS as set forth in the application and record.

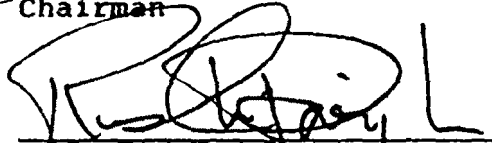
IT IS FURTHER ORDERED that Call U.S. shall file with the Commission, at least 20 days prior to the institution of such service, its tariff setting forth its rules, regulations and rates in the manner prescribed by the regulations of the Commission.

IT IS FURTHER ORDERED that the rates and charges in Appendix A be and they hereby are approved with the institution of the service approved herein.

Done at Frankfort, Kentucky, this 2nd day of November, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY
PUBLIC SERVICE COMMISSION IN
CASE NO. 8684 DATED NOVEMBER 2, 1983

Schedule of Charges

Rate Schedule - A

(First Minute Charges)

	Rate Per Unit
1 - 10 Miles	\$.1615
11 - 16 Miles	.2125
17 - 22 Miles	.2550
23 - 30 Miles	.2975
31 - 40 Miles	.3400
41 - 55 Miles	.3740
56 - 70 Miles	.4080
71 - 85 Miles	.4420
86 - 100 Miles	.4675
101 - 124 Miles	.4845
125 - 148 Miles	.5015
149 - 196 Miles	.5185
197 - 244 Miles	.5355
245 - 292 Miles	.5525
293 - 354 Miles	.5610
355 - 430 Miles	.5695
431 - 550 Miles	.5780

Rate Schedule - B

(Additional Minutes Charges)

1 - 10 Miles	\$.1190
11 - 16 Miles	.1615
17 - 22 Miles	.2040
23 - 30 Miles	.2380
31 - 40 Miles	.2720
41 - 55 Miles	.3060
56 - 70 Miles	.3315
71 - 85 Miles	.3570
86 - 100 Miles	.3740
101 - 124 Miles	.3910
125 - 148 Miles	.4080
149 - 196 Miles	.4165
197 - 244 Miles	.4250
245 - 292 Miles	.4335
293 - 354 Miles	.4120
355 - 430 Miles	.4505
431 - 550 Miles	.4590

APPENDIX A (continued)

Rate Schedule - C

(First Minute Charges)

	Rate Per Unit
1 - 10 Miles	\$.1805
11 - 16 Miles	.2375
17 - 22 Miles	.2850
23 - 30 Miles	.3325
31 - 40 Miles	.3800
41 - 55 Miles	.4180
56 - 70 Miles	.4560
71 - 85 Miles	.4940
86 - 100 Miles	.5225
101 - 124 Miles	.5415
125 - 148 Miles	.5605
149 - 196 Miles	.5795
197 - 244 Miles	.5985
245 - 292 Miles	.6175
293 - 354 Miles	.6270
355 - 430 Miles	.6365
431 - 550 Miles	.6460

Rate Schedule - D

(Additional Minutes Charges)

1 - 10 Miles	\$.1330
11 - 16 Miles	.1805
17 - 22 Miles	.2280
23 - 30 Miles	.2660
31 - 40 Miles	.3040
41 - 55 Miles	.3420
56 - 70 Miles	.3705
71 - 85 Miles	.3990
86 - 100 Miles	.4180
101 - 124 Miles	.4370
125 - 148 Miles	.4560
149 - 196 Miles	.4655
197 - 244 Miles	.4750
245 - 292 Miles	.4845
293 - 354 Miles	.4605
355 - 430 Miles	.5035
431 - 550 Miles	.5130

APPENDIX A (continued)

Rate Schedule - E

(First Minute Charges)

	Rate Per Unit
1 - 10 Miles	\$.19
11 - 16 Miles	.25
17 - 22 Miles	.30
23 - 30 Miles	.35
31 - 40 Miles	.40
41 - 55 Miles	.44
56 - 70 Miles	.48
71 - 85 Miles	.52
86 - 100 Miles	.55
101 - 124 Miles	.57
125 - 148 Miles	.59
149 - 196 Miles	.61
197 - 244 Miles	.63
245 - 292 Miles	.65
293 - 354 Miles	.66
355 - 430 Miles	.67
431 - 550 Miles	.68

Rate Schedule - F

(Additional Minutes Charges)

	Rate Per Unit
1 - 10 Miles	\$.14
11 - 16 Miles	.19
17 - 22 Miles	.24
23 - 30 Miles	.28
31 - 40 Miles	.32
41 - 55 Miles	.36
56 - 70 Miles	.39
71 - 85 Miles	.42
86 - 100 Miles	.44
101 - 124 Miles	.46
125 - 148 Miles	.48
149 - 196 Miles	.49
197 - 244 Miles	.50
245 - 292 Miles	.51
293 - 354 Miles	.52
355 - 430 Miles	.53
431 - 550 Miles	.54

APPENDIX A (continued)

Fees and Charges:

- Commercial - A one-time non-refundable charge of \$70.00 or a \$10.00 per month service charge. This charge will entitle the user to one (1) security code. Additional security codes may be requested at either a \$5.00 per month per code charge or a one-time non-refundable charge of \$50.00 for the second code, a \$25.00 each charge for the third through seventh code and a \$10.00 each charge for all additional codes. Call U.S. may, at its discretion, limit the number of codes per customer.
- Residential - A one-time non-refundable charge of \$25.00 or a \$5.00 per month service charge. Residential users are restricted to one (1) security code.
- KY800 - Calls originating on Kentucky 800 numbers provided by Call U.S. and terminating in Kentucky but in non-local Lexington locations will be priced according to Rate Schedules A & B (except Residential business day, which will use Rate Schedules C & D), with a surcharge of \$.50 for the first minute and \$.30 for each additional minute. For calls terminating in the local Lexington area, there will be a charge of \$.55 for the first minute and \$.35 for each additional minute and no other rate schedules will apply.