

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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IN THE MATTER OF:

NOTICE OF SOUTH CENTRAL BELL)
TELEPHONE COMPANY OF AN) CASE NO. 8847
ADJUSTMENT IN ITS INTRASTATE)
RATES AND CHARGES)

AND

THE VOLUME USAGE MEASURED RATE)
SERVICE AND MULTILINE SERVICE) CASE NO. 8879
TARIFF FILING OF SOUTH CENTRAL)
BELL TELEPHONE COMPANY)

O R D E R

On October 24, 1983, the Commission issued an Order in this case to hear the motions requesting dismissal of South Central Bell's ("Bell") rate application filed July 29, 1983. In addition, as Bell had made numerous adjustments to its proposed rates in a filing October 17, 1983, the Commission further set for hearing the issue of whether these modifications should constitute a new rate case filing, thus initiating a new suspension period and requiring a new Order of Procedure. The Commission in its Order cited other problems with Bell's filing, especially Bell's failure to respond in a timely manner to information requested by the Commission and other parties in this case.

The hearing was held as scheduled on October 31, 1983, with the parties of record present and participating.

Bell argued against dismissing the application. However, at the hearing Bell offered to waive the suspension period and allow additional time for discovery in this case upon the condition that Bell could place \$96 million of its total proposed increase of \$163 million into effect on January 20, 1984, as an interim measure.

The Attorney General ("AG") strongly opposed any interim rates or any waiver of the Order of Procedure and suspension period in this case and stated that its position was that waiver of the suspension period in this case would only serve to provide Bell an opportunity to attempt to further bolster its case, when Bell should already have met its burden of proof.

Although other issues were raised in our Order of October 24, 1983, the Commission is of the opinion that the AG's position is a crucial consideration herein. Therefore, we do not reach any decision concerning the merits of these issues, particularly whether the Commission is authorized to dismiss a rate case and whether the changes Bell has filed on October 17, 1983, constitute a new rate case within the meaning of 807 KAR 5:011(9:2). By statute, Bell has the burden to prove its proposed rate increases, both in the terms of its total proposed increase in revenue requirements and its recently altered rate design.

Therefore, it is the Commission's opinion that to proceed to the merits of this case as it now stands is the best alternative. The Commission does recognize, however, that it and other

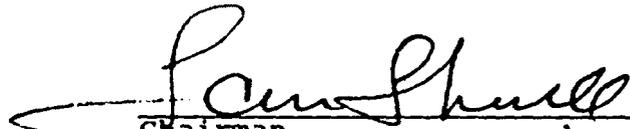
parties in this case may need additional information from Bell and, therefore, those parties will be permitted to continue discovery until the hearing begins November 29, 1983.

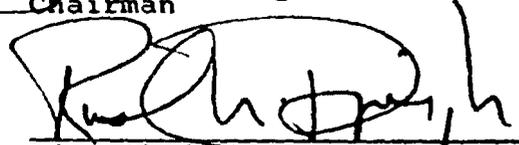
IT IS THEREFORE ORDERED that the motions to dismiss in this case be and they are hereby denied.

IT IS FURTHER ORDERED that the Order of procedure entered in this case August 10, 1983, is hereby modified to allow additional information discovery by the parties of record up to the scheduled hearing in this case of November 29, 1983.

Done at Frankfort, Kentucky, this 7th day of November , 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary