COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE DIVESTITURE OF SOUTH CENTRAL) CASE NO. 8731
BELL TELEPHONE COMPANY FROM AMERICAN)
TELEPHONE AND TELEGRAPH COMPANY)

ORDER

On November 24, 1982, the Kentucky Public Service Commission ("Commission") opened this case to consider aspects of the Modified Final Judgment ("MFJ") entered into by the U.S. Department of Justice, American Telephone and Telegraph Company ("AT&T") and Western Electric Company, Inc., in the U.S. District Court for the District of Columbia. The Commission was, and still is, concerned about the manner in which the reorganization of the AT&T System would occur because of the need to maintain strong and economically viable local Bell Operating Companies ("BOC") and to avoid adverse impacts on the independent telephone companies ("independents") as well.

At, or during this same time frame, the Commission also had similar matters before it in at least the following cases: Case No. 8847, Notice of South Central Bell Telephone Company of an

Adjustment in its Intrastate Rates and Charges; Case No. 8838, An Investigation of Toll and Access Charge Pricing and Toll Settlement Agreements for Telephone Utilities Pursuant to Changes to be Effective January 1, 1984; Administrative Case No. 273, An Inquiry into Inter-and Intra-Lata Intrastate Competition in Toll and Related Services Markets in Kentucky. These cases involved matters concerning either rates or the provisions of telecommunication services as a result of the MFJ or actions taken by the Federal Communications Commission.

The Commission continues to be concerned with the results of the divestiture and will closely monitor the industry in the Commonwealth. However, the Commission is of the opinion and FINDS that this case should now be closed because the implementation of the AT&T divestiture is largely complete and any further action can best be taken in either other active cases or on a case by case basis as the situation warrants.

IT IS THEREFORE ORDERED that this case be and it hereby is closed.

IT IS FURTHER ORDERED that the information provided confidential treatment shall remain within the Commission records until further notice.

Done at Frankfort, Kentucky, this 23rd day of October, 1984.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary