

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

AN INVESTIGATION OF TOLL AND)
ACCESS CHARGE PRICING AND TOLL)
SETTLEMENT AGREEMENTS FOR) CASE NO. 8838
TELEPHONE UTILITIES PURSUANT)
TO CHANGES TO BE EFFECTIVE)
JANUARY 1, 1984)

O R D E R

IT IS ORDERED that an original and 15 copies of the following information shall be filed with the Commission by the party(ies) indicated below with a copy to all parties of record within 10 days after the date of this Order. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets is required for an item, each sheet should be appropriately indexed, for example Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible.

IT IS FURTHER ORDERED that any party not able to respond to the questions in the time allotted must file a motion for an extension of time, and explain the reason(s) therefore, prior to the due date. Since further cross-examination is to commence July 31, 1984, any extension of time will, of necessity, be limited.

ATTORNEY GENERAL:

1. Provide a copy of the access charge tariff pending approval in Idaho. If the status has changed since testimony was filed provide an update.

2. Provide a copy of the Idaho Public Service Commission's Final Order in Docket V-1500-148, Order No. 18528, December 9, 1983. If additional Orders have been issued in this docket since the December 9, 1983, Order please provide.

3. Explain the basis for selecting the usage sensitive rate elements to reflect the discount for OCCs with inferior access. Why will it be simpler to administer and discount for OCCs with a mixture of premium and non-premium access?

4. Please provide a Kentucky specific example of how circuits would be counted.

5. Please provide a Kentucky specific example of how circuits would be counted if intraLATA competition was authorized.

6. On page 6 of Schedule 2 of the Exhibit to your testimony, you have defined "Local Access and Transport Area" giving reference to the MFJ. GTE has a proposed consent decree pending. Shouldn't the tariff reflect any market areas resulting from the GTE decree? If so, provide a paragraph for the tariff including this information.

7. Please identify the sections of SCB's, CB's, GTK's, and NECA's Access Service Tariffs that the ULACT is designed to replace.

8. At Exhibit BJ-1, page 7 of 13, what is the purpose of the four VEC groupings? Please fully explain.

9. Please identify the amount of SCB's, CB'S, and GTK's access service revenue requirement that the ULACT is designed to recover.

AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES, INC.:

10. Provide current estimate of Order backlog for private-line and WATS service in Kentucky. Compare this backlog with the backlog in 1981 and 1982 for the same period.

11. Has the private line and WATS backlog had an impact on by-pass decisions in Kentucky?

12. Please provide total installed voice equivalent channel capacity as of the most recent available information, per Dr. Johnson's Exhibit BJ-1.

13. Please update direct testimony of Mr. Brown at page 16 to consider the FCC's Order in Docket No. 93-1145, adopted May 24, 1984, concerning private line access rates.

14. Please provide evidentiary support for Mr. Brown's direct testimony at page 18, concerning private line rates. Also, please provide specific special access rate recommendations.

15. In Mr. Brown's testimony at pages 13-14 he refers to "optional calling plans." Please specify in greater detail what these "plans" will encompass.

ALL LOCAL EXCHANGE CARRIERS:

16. a. In which exchanges are ESS type switching not available?

b. In those exchanges, how many access lines are currently in use?

c. What percentage of access line currently in use does the figure(s) in (b) involve?

INDEPENDENT TELEPHONE GROUP:

17. Regarding Exhibit No. 3 of Mr. Magruder's testimony how did you make the assumption of a minimum of 50,000,000 intrastate interLATA exchange carrier access provided access minutes per month?

18. Regarding your calculation of a shortfall to the Average Schedule Companies of \$91,350 per month, provide supporting computations for the "18 Average Schedule Shortfalls" figure of \$70,276 and for the "Elimination of Residual Revenues" figure of \$21,074.

19. In your testimony, you reference actual results for the current intraLATA revenues distribution fund. Please provide actual results for March, April and any more current data available in the format previously filed for January and February, 1984.

ALL PARTIES, EXCEPT ATTORNEY GENERAL:

20. Please provide a complete analysis of the theoretical and practical advantages and limitations of Dr. Johnson's UFACT at Exhibit 85-1.

SOUTH CENTRAL BELL TELEPHONE COMPANY, GENERAL TELEPHONE COMPANY, CINCINNATI BELL, INC., AND NON-AT&T COMMUNICATIONS INTEREXCHANGE CARRIERS:

21. Have you contacted, or been contacted, and/or negotiated to provide or be provided billing and collection services to carriers, aside from AT&T Communications? If so, describe in

detail, quantify the expected revenue through 1985 and state the date of expected initiation of service.

SOUTH CENTRAL BELL TELEPHONE COMPANY:

22. In response to oral requests during hearing, dated May 31, 1984, Item 9, Mr. Roberts states that the Access Services Tariff does not provide for double deposits.

a. Please reconcile Mr. Roberts' response with the provisions of 807 KAR 5:006, Section 7(1).

b. Is it SCB's position that it seeks authority to act as an agent for the collection of interexchange carrier deposits?

c. If the Commission authorizes SCB to act as an agent for the collection of interexchange carrier deposits, will SCB retain and administer deposit monies, or will SCB transfer deposit monies to interexchange carriers?

d. If SCB intends to retain and administer interexchange carrier deposits, estimate average total monthly deposit amounts, estimate average total monthly interest income from deposit amounts, and state whether any pro forma adjustment has been made to recognize interest income.

e. If SCB intends to retain and administer interexchange carrier deposits, what compensation will SCB receive from interexchange carriers for deposit administration?

23. In response to oral requests during hearing, dated May 31, 1984, Item 1, Mr. Roberts presents an overview of the development of access minutes of use. Please provide workpapers showing the computational development of all Access Service Tariff price-out minutes of use by rate element.

24. What is the estimated annual amount of official toll billing that SCB anticipated from interexchange carriers, and has a pro forma adjustment been made in Case No. 8838 to reflect such billing?

25. What is the total capital cost of CABS development? Also, what is the estimated annual operating expense associated with CABS management? And, has a pro forma adjustment been made in Case No. 8838 to reflect CABS investment and expense recovery?

26. Please respond to Mr. Brown's direct testimony at pages 15-16, wherein he claims that SCB's divestiture related interLATA private line revenue loss is \$0.4 million and special access service revenue is \$4.3 million.

27. Will the FCC's May 25 Order in CC 83-1145 regarding special access impact the \$4.3 million special access charges revenue which appears in Mr. Brown's testimony on page 16 or the \$5.2 million figure which is used in SCB's most recent price-out? If so, provide a new calculation and explain the cause for any adjustment?

ALL PARTIES:

28. Please provide a complete analysis of the theoretical and practical advantages and disadvantages of (a) distance sensitive transport charges and (b) non-distance sensitive transport charges (c) Florida's equal access exchange areas (EAEAS).

Done at Frankfort, Kentucky, this 13th day of July, 1984.

PUBLIC SERVICE COMMISSION

Richard D. Hemenway
For the Commission

ATTEST:

Secretary