COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

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KENTUCKY CABLE TELEVISION)ASSOCIATION, INC., COMPLAINTANT)CASE NO. 8973

vs.

SOUTH CENTRAL BELL TELEPHONE) COMPANY, INC., DEFENDANT)

ORDER

Procedural Background

On January 30, 1984, the Kentucky Cable Television Association ("KCTA") filed a complaint with the Commission concerning South Central Bell Telephone Company's ("SCB's") pole attachment and conduit use rates. Subsequently, on June 8, 1984, the Commission held a formal conference with SCB and KCTA. At the conclusion of the formal conference, SCB and KCTA were instructed to attempt to reach a settlement of KCTA's complaint and submit a proposed settlement to the Commission for its review and approval. Later, on November 2, 1984, SCB and KCTA filed a joint motion for approval of a partial settlement and partial dismissal of KCTA's complaint.

Numerous hearing dates have been set and canceled in this case, upon motions of the parties in the case.

Discussion

KCTA's complaint focused on SCB's implementation of the pole attachment and conduit use rate methodology outlined by the Commission in Administrative Case No. 251, The Adoption of a Standard Methodology for Establishing Rates for CATV Pole Attachments, and Administrative Case No. 251-18, The CATV Pole Attachment Tariff of South Central Bell Telephone Company. In addition to SCB's implementation of the Commission's rate methodology, KCTA was critical of certain generic features of the Commission's rate methodology.

At the formal conference, KCTA was advised that the rate methodology outlined by the Commission was not subject to reconsideration in this case. Furthermore, upon being instructed to attempt to reach a settlement of the complaint, SCB and KCTA were advised that any proposed settlement of the complaint should be within the guidelines established by the Commission in Administrative Cases No. 251 and 251-18.

The joint motion filed by SCB and KCTA for approval of a partial settlement of the complaint does not address any of the issues raised by KCTA and was not accompanied by any supporting information. The joint motion simply requests that the Commission:

1. Approve pole and anchor attachment rates as stated in Exhibit A.

2. Dismiss KCTA's complaint, except insofar as it concerns conduit use rates.

3. Schedule a hearing in December, 1984, on the subject of conduit use rates.

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SCB and KCTA acknowledge in the joint motion that they were unable to agree upon a rate formula and that the proposed pole and anchor attachment rates "will be acceptable to both parties for a period ending March 31, 1987." Since the proposed settlement is not based on any rate formula, the Commission can make no comparison with the guidelines it established in Administrative Cases No. 251 and 251-18. Furthermore, since the proposed settlement would expire in 1987, presumably, the Commission would be presented with the same situation that it is now asked to deal with. Based on these considerations, the Commission will deny the joint motion for approval of a partial settlement of the complaint and schedule a hearing in a separate Order at which both parties will be expected to present evidence and cross-examine witnesses.

<u>Orders</u>

IT IS THEREFORE ORDERED that the joint motion filed by SCB and KCTA for approval of a partial settlement of KCTA's complaint be and it hereby is denied.

Done at Frankfort, Kentucky, this 21st day of December, 1984. PUBLIC SERVICE COMMISSION

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ATTEST:



Secretary