

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE SALE AND DETARIFFING OF) ADMINISTRATIVE CASE
EMBEDDED CUSTOMER PREMISES) NO. 269 - PHASE III
EQUIPMENT)

O R D E R

On November 8, 1983, the Federal Communications Commission ("FCC") adopted an order in CC Docket No. 83-427, Access to Telecommunications Equipment by the Hearing Impaired and other Disabled Persons. The FCC noted that after the FCC's Computer II decisions, Congress enacted the Telecommunications for the Disabled Act. Section 601(g) of that act provided that state commissions could allow recovery of reasonable and prudent costs associated with specialized terminal equipment and not charged directly to such users through rates generally. The FCC concluded that its authority, given this act, to order detariffing of specialized terminal equipment was ambiguous. Therefore, the FCC decided that a detariffing decision, or decision to continue under regulation, was up to the state commissions.

On June 13, 1984, AT&T South, Inc., filed a petition requesting that its specialized terminal equipment be detariffed.¹

¹ Case No. 8970, Petition of AT&T South, Inc. to Detariff Specialized Terminal Equipment for Disabled Customers.

The Commission has deferred action in that proceeding in order to fully consider the ramifications of detariffing, particularly to offer parties to Administrative Case No. 220² an opportunity to comment. In Administrative Case No. 220, the Commission ordered that teletypewriters be made available at cost and that they be offered on a monthly lease basis to avoid undue burden. In this proceeding the Commission will consider the following issues:

1. Is detariffing of specialized terminal equipment in the public interest?
2. Can the Commission continue to meet its obligations under Section 610(g) of the Telecommunications for the Disabled Act to assure availability of specialized terminal equipment at affordable prices if it detariffs that equipment?
3. Assuming detariffing can and should be ordered, when and how should the detariffing be structured? How should a sales program be implemented?

In addition, the Commission will require each telephone utility to file the following information:

1. Total intrastate revenues and expenses by account related to specialized terminal equipment for the year ended December 31, 1985.
2. Investment and related depreciation by account in specialized terminal equipment account(s) for the year ended December 31, 1985.

² Administrative Case No. 220, Establishment of Rates for Deaf Persons Using Teletypewriter Type Service.

Findings and Conclusions

1. All telephone utilities which currently own specialized terminal equipment should file comments and information in response to the above issues within 30 days from the date of this Order.

2. Any interested person may file comments on the issues stated above within 30 days from the date of this Order.

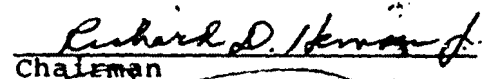
IT IS THEREFORE ORDERED that:

1. All telephone utilities which currently own specialized terminal equipment shall file comments and information on the above-stated issues within 30 days from the date of this Order.

2. Any interested person may file comments on the above-stated issues within 30 days from the date of this Order.

Done at Frankfort, Kentucky, this 2nd day of May, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary