

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE TARIFF APPLICATION OF SOUTH)
CENTRAL BELL TELEPHONE COMPANY)
TO REFLECT CHANGES IN RATES AND) CASE NO. 9272
TEXT FOR CONDUIT OCCUPANCY)
ACCOMODATIONS FOR INTERLATA)
CARRIERS AND CATV FIRMS)

O R D E R

On February 4, 1985, South Central Bell Telephone Company ("SCB") filed an application and tariff with the Commission proposing to increase its rate for conduit occupancy and to include interLATA carriers as customers subject to the tariff. On December 4, 1985, an Order was issued by the Commission denying SCB's request for an increase in its rate, but did allow for interLATA carriers to be governed under the tariff. In that Order, the Commission also denied several proposals made by AT&T Communications of the South Central States, Inc., ("ATTCOM") and by Kentucky Cable Television Association Inc., ("KCTA"), intervenors in the case. On December 26, 1985, KCTA filed a petition requesting that the Commission reconsider and modify its Order of December 4, 1985. KCTA contends that the Commission failed to address the original complaint, which was transferred to this case from Case No. 8973,¹ and that the Commission erred in setting the current tariffed rate for conduit occupancy at \$4.85.

¹ Kentucky Cable Television Association, Inc., Complainant vs. South Central Bell Telephone Company, Inc., Defendent.

Discussion

KCTA argues that Tariff 1F discriminates against cable operators, in violation of KRS 278.170. However, in Administrative Case No. 251-18² the Commission approved tariff 1F and found the \$4.85 rate to be fair just and reasonable, and thus non-discriminatory.

KCTA's second argument was that no typewritten notice was sent to SCB's cable television customers. KCTA also contends that this was a violation of 807 KAR 5:011, Section 8(2) and 9(1). However, new tariffs stating changes in any provision of any effective tariff may be issued and put into effect in accordance with 807 KAR 5:011, Section 5(3). Therefore, KCTA's claim that SCB is in violation of 807 KAR 5:011, Sections 8(2) and 9(1), is without merit.

Finally, KCTA argues that SCB made significant errors in its calculation of the \$4.85 rate. Specifically KCTA contends that SCB applied a carrying charge based on embedded cost to its current investment. In Administrative Case No. 251³ the Commission approved the methodology for determining conduit occupancy rates. Therefore, KCTA's argument of the methodology should be denied.

² The CATV Pole Attachment Tariff of South Central Bell Telephone Company.

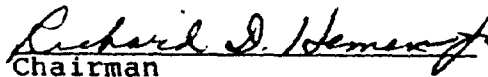
³ The Adoption of a Standard Methodology For Establishing Rates For CATV Pole Attachments.

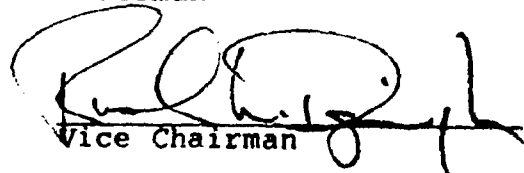
IT IS THEREFORE ORDERED that:

1. The Petition for reconsideration and modification of the Commission's Order dated December 4, 1985, be and it hereby is denied.

Done at Frankfort, Kentucky, this 15th day of January, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary