COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF PROGRAMS TO) ADMINISTRATIVE FURTHER THE GOAL OF UNIVERSAL) CASE NO. 312 TELEPHONE SERVICE)

ORDER

On August 5, 1987, the Commission issued an Order initiating this case to further the goal of universal telephone service in Kentucky.

On August 19, 1987, an informal conference was held in which some parties expressed a desire for the clarification of one of the issues to be addressed.

The Commission, being advised, finds that item number 2, which is on page 9 of the August 5 Order, should be clarified and, therefore, replaces it with the following:

In your opinion, does the Commission have the statutory authority to require telephone companies to offer a service consisting of preferential rates for residential telephone consumers as determined by specific demographic and economic criteria? That is, does this constitute an unreasonable preference or advantage, as prohibited by KRS 278.170 or does it constitute reasonable classifications of utility service as prescribed in KRS 278.030?

Parties wishing to address this issue prior to proceeding with this investigation may do so by filing comments through counsel by September 8, 1987. Any party not wishing to comment on the Commission's authority at this time is not precluded from filing such comments at a later date. The Commission will address the issue of its authority, as well as all other issues in the final Order of this case.

Be it so ORDERED.

Done at Frankfort, Kentucky, this 27th day of August, 1987.

PUBLIC SERVICE COMMISSION

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ATTEST:

Executive Director