COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AT&T'S TARIFF FILING PROPOSING TO) INTRODUCE AT&T PRO KENTUCKY AND) REACH OUT KENTUCKY SERVICES AND) CASE NO. 10032 MAKE CERTAIN OPTIONAL CALLING PLANS) OBSOLETE)

ORDER

IT IS ORDERED that AT&T shall file an original and seven copies of the following information with the Commission by December 30, 1987. If information requested or a motion for an extension of time is not filed by stated date, the Commission may dismiss the case without prejudice.

Is AT&T proposing to cover variable costs in its Reach
Out and Pro Kentucky services? How does AT&T define variable
cost, i.e., what components comprise it?

2. AT&T states that the services will be provided where billing capacity permits. Describe specifically where such capacity exists and where it does not. Indicate by exchange or some other geographical indication.

3. How many customers subscribe to the Optional Calling Plans (OCPs) which AT&T is proposing to obsolete? What is the revenue impact of these OCPs? How many revenues are derived? Provide a comparison of the cost of providing the services versus the revenues derived. Is AT&T proposing that the customers

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participating in these OCPs will participate in Pro or Reach Out Kentucky?

4. Explain the second sentence in section A7.4.2A of the proposed tariff. Is there some mistake in this sentence or did AT&T mean "Reach Out" in the last clause?

5. Explain the difference between the initial hour for night and weekend service and the initial hour for evening service. Are these rates distance sensitive? Does AT&T see any inconsistency in this pricing structure?

6. Provide an estimated revenue impact of these services.

7. Provide the number of customers that AT&T estimates will subscribe to these services. Include the stimulation factor or usage increase.

8. Who will absorb the cost of this plan if it does not cover variable costs?

Done at Frankfort, Kentucky, this 14th day of December, 1987.

PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director