

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF GTE SOUTH,
INCORPORATED

)
) CASE NO. 10117

O R D E R

During telephone conversations of November 23, 1988 and November 28, 1988 between representatives from GTE South Incorporated ("GTE") and Staff, several questions from the November 21, 1988 information request were discussed. GTE asserted that many of the questions were too complicated and could not be addressed in the allotted time. GTE and Staff proposed the following changes to the November 21, 1988 information request.

1. Question 7 of the November 21, 1988 information request should state: "Please provide an analysis that separates the requested COE Category 3 and 4 adjustments into a) local investment, b) intraLATA toll and interLATA access investment, and c) interstate access investment."

2. Question 22 (a) should state: "For the 12 months of the test period and 5 months subsequent to the test period, provide on a monthly basis a schedule(s) in similar form to that provided in response to Hearing Request 11 showing both booked and normalized levels."

3. Question 23 (a) of the November 21, 1988 information request should state: "On a quarterly basis for calendar years

1986 and 1987, provide quarterly expenses, separation factors, and the intrastate toll expenses in a format similar to the summary schedule."

4. Question 23 (b) of the November 21, 1988 information request should state: "Please provide an explanation of the apparent shift in separation factors for intraLATA toll for calendar years 1986 and 1987 on a quarterly basis. This explanation should also contain a full narrative of the process for developing these separation factors."

5. Question 23 (c) of the November 21, 1988 information request should state: "With reference to (b) above identify and explain significant changes in separation factors on a quarterly basis."

6. Question 24 of the November 21, 1988 information request should state: "Mr. Giammarino states in his testimony that not only expenses need to be matched, but investment needs to be matched. In that regard, provide on a quarterly basis for calendar years 1986 and 1987 a schedule(s) showing total detailed net investment, separation factors, and intraLATA toll investment."

7. Question 25 of the November 21, 1988 information request should state: "With the current authorized rate of return and the information above, provide on a quarterly basis for calendar years 1986 and 1987 the contribution for intraLATA toll."

8. Question 27 of the November 21, 1988 information request should state: "For the test period provide the monthly toll

settlement forms supplied to South Central Bell and any true-ups to those forms."

9. Question 28 of the November 21, 1988 information request should state: "For the 12 months of the test period and the 5 months subsequent to the test period, provide intrastate access usage (units) for each element that has a separate tariffed rate along with the monthly revenue by element."

10. Question 29 of the November 21, 1988 information request should state: "With regard to intrastate access expenses, provide on a quarterly basis for calendar years 1986 and 1987 total operating expenses, intrastate access separation factors, and intrastate access expenses."

11. Question 30 of the November 21, 1988 information request should state: "On a quarterly basis for calendar years 1986 and 1987, provide total detailed net investment, intrastate access factors, and the intrastate access investment."

12. Question 31 of the November 21, 1988 information request should state: "With the current authorized rate of return and the information requested above, provide on a quarterly basis for calendar years 1986 and 1987 the contribution for intrastate access."

13. Question 36 of the November 21, 1988 information request should state: "Provide an analysis for the 12 month period immediately prior to the test period, the test period, and all available months subsequent to the test period of COE repair accounts by specific or applicable cost element codes in a comparative format. Also identify the costs in each month that

corresponds to the characterization set forth by the company in its reply to Staff Supplemental Request, Item 19, Case No. 9678, An Adjustment of Rates of General Telephone Company of the South, as mentioned in DeWard's direct testimony in Case No. 10117, page 57 beginning on line 17.

14. Question 37 of the November 21, 1988 information request should be withdrawn and not answered by GTE.

The Commission, being advised, is of the opinion and finds that the changes to the November 21, 1988 information request as described above should be approved.

BE IT SO ORDERED.

Done at Frankfort, Kentucky this 30th day of November, 1988.

PUBLIC SERVICE COMMISSION



For The Commission

ATTEST:

Executive Director