

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

EXPERIMENTAL OPTIONAL EXTENDED)
AREA SERVICE TARIFF FILING OF) CASE NO. 10260
SOUTH CENTRAL BELL)

O R D E R

On April 18, 1988, South Central Bell ("SCB") filed a proposed Optional Extended Area Service ("OEAS") tariff between the Lebanon Junction and Bardstown exchanges. The service is to be offered on an experimental basis only to those customers residing in the Nelson County portion of the Lebanon Junction originating exchange and will be subscriber dialed station-to-station calls to stations located in the Bardstown exchange. The proposed OEAS plan consists of an initial 6-minute minimum period and each additional usage period to be based on 1/10 hour. The minimum contract period for service is one month. The experimental service will be available beginning May 18, 1988 and will terminate on May 31, 1990. Customers that subscribe to the service offering in the first 90 days from the effective date will not be subject to applicable service ordering charges.

The Commission has on various occasions expressed interest in possible alternatives to traditional Extended Area Service ("EAS"). For example, the Commission approved a Cincinnati Bell Telephone Company proposal on an experimental basis in Case No. 9953, The Community Connection Service Tariff Filing of Cincinnati

Bell Telephone Company. The Commission is also concerned about the Lebanon Junction subscribers residing in Nelson County who are currently unable to call any other exchange, including their county seat of Bardstown, without incurring toll charges.

The Commission's current EAS Guidelines, adopted by Order dated October 31, 1980 in Administrative Case No. 221, In the Matter of Extended Area Telephone Service, define a step-by-step process which must be successfully completed in order to implement the proposed EAS. The Commission has found that generally a "two-way" community of interest is not exhibited in those instances where the EAS Guidelines have been applied. However, there may be certain instances where some alternative to traditional EAS should be considered. Because of this concern, the Commission will approve the proposed OEAS tariff, on an experimental basis for the proposed trial period, in order to study OEAS as a possible alternative to traditional EAS.

FINDINGS

After considering the proposed experimental tariff, and being advised, the Commission is of the opinion and finds that:

1. SCB's proposed OEAS tariff should be approved for a trial period beginning May 18, 1988 and ending May 31, 1990.
2. The approved OEAS tariff should be considered as an experimental tariff to be used to determine the appropriateness of OEAS as an alternative to EAS.
3. SCB should provide information on a quarterly basis concerning call stimulation, cost of additional facilities, lost

toll revenue, and such other information as jointly developed by SCB and Commission Staff due to OEAS implementation.

4. SCB should provide notice to affected subscribers and specifically inform those subscribers that the service will be effective only for the prescribed period. SCB should file a copy of such notice with the Commission.

5. SCB should make specific application to the Commission should it desire to continue or modify the approved OEAS tariff beyond the approved trial period, and provide specific reasons why an extension or modification is justified.

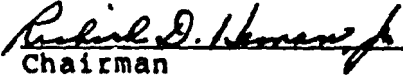
6. Customers that subscribe to the service offering in the final 90 days from the effective date should not be subject to applicable service ordering charges.

7. Pursuant to 807 KAR 5:001, Section 7, the revenue impact figures provided by SCB and included with its OEAS tariff filing should be classified as proprietary and afforded confidential treatment because the information details minutes of use for a specific route and therefore is competitively significant.

IT IS THEREFORE ORDERED that Findings one through seven of this Order be directed as if each were individually so Ordered.

Done at Frankfort, Kentucky, this 24th day of May, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director