COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

POLICY AND PROCEDURES IN THE) ADMINISTRATIVEPROVISION OF OPERATOR-ASSISTED) CASE NO. 330TELECOMMUNICATIONS SERVICES)

ORDER

On August 3, 1989, the Commission issued an Order on in Case No. 10002¹ which granted International Rehearing Telecharge, Inc. ("ITI") the authority to provide interLATA operator-assisted telecommunications services subject to various restrictions and conditions of service. In that Order, the Commission found that because of the characteristics of ITI's operations, primarily its lack of a formal, prearranged relationship with the actual users of its services, the restrictions and conditions of service were necessary in order for the service to be in the public interest. Without such restrictions, the Commission would not allow ITI to operate. Also in that Order, the Commission indicated its intent to universally apply those requirements to the operator-assisted services of all non-local exchange carriers. Accordingly, the Commission issued Orders requiring MCI Telecommunications

Case No. 10002, The Application of International Telecharge, Inc. for a Certificate of Public Convenience and Necessity to Operate as a Reseller of Telecommunications Services Within the State of Kentucky.

Corporation² and American Operator Services, Inc.³ to comply with the same restrictions and conditions of service for their operator-assisted services. By this Order, the Commission is requiring all non-local exchange carrier providers of operator-assisted services to comply with these restrictions and conditions of service, or in the alternative, to provide evidence why their operator-assisted services should be exempted from these requirements. Specifically, this Order is applicable to AT&T Communications of the South Central States, Inc. ("AT&T"), AmeriCall Systems of Louisville, US Sprint Communications ITT Communications Services, Inc.⁴ These Company, and requirements are as follows:

1. Operator-assisted services shall be subject to rate regulation and rates shall not exceed AT&T's maximum approved rates. "Maximum approved rates" is defined to mean the rates approved by this Commission in AT&T's most recent rate proceeding

² Order dated August 3, 1989 in Case No. 89-046, The Tariff Filing of MCI Telecommunications Corporation to Offer Operator Assistance.

³ Order dated August 3, 1989 in Case No. 10130, The Application of American Operator Services, Inc., for a Certificate of Convenience and Necessity to Provide Intrastate Operator Assistance Resold Telecommunication Services as a Non-Dominant Carrier.

⁴ These are the known non-local exchange carriers presently providing intrastate operator-assisted services who have not previously been ordered to comply with the operator services requirements. The operator-assisted services of Allnet Communications Services, Inc. were under investigation in Case No. 89-053, The Tariff Filing of Allnet Communications Services, Inc. to Offer Operator Assistance, and were subsequently exempted from these requirements by Order dated August 22, 1989.

for measured toll service applicable to operator-assisted calls, as well as the additional charges for operator assistance. Carriers are not permitted to include any other surcharges or to bill for uncompleted calls. Time-of-day discounts shall also be Carriers are also required to rate calls using the applicable. basis that AT&T uses to rate calls, i.e., distance same calculations based on points-of-call origination and termination, definitions of chargeable times, billing unit increments, rounding of fractional units, and minimum usages. In Case No. 9889⁵ the Commission allowed AT&T a limited amount of rate flexibility in that it was allowed to reduce certain rates up to a maximum of 10 percent without filing the full cost support normally required in a rate proceeding. Carriers are not required to match AT&T's rate reductions resulting from this rate flexibility. However, when there is any change in AT&T's maximum approved rates, carriers shall file tariffs if necessary to comply with the requirements herein within 30 days of the effective date of AT&T's rate change.

2. Except as otherwise indicated in this Order, non-dominant carriers shall be subject to regulation as delineated in the May 25, 1984 Order in Administrative Case No. 273,⁶ as well as any subsequent modifications to non-dominant carrier regulations. In the event of conflict, the terms of the

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⁵ Case No. 9889, Adjustment of Rates of AT&T Communications of the South Central States, Inc.

⁶ Administrative Case No. 273, An Inquiry Into Inter- and IntraLATA Intrastate Competition in Toll and Related Services Markets in Kentucky.

instant Order shall take precedence, unless a carrier is specifically relieved from compliance with any conditions contained herein. AT&T shall remain subject to dominant carrier regulations.

3. Access to the operator services of competing carriers shall not be blocked or intercepted; however, this requirement does not pertain in situations where the customers who have control of premises equipment are also the users and bill-payers of the services.

4. Access to the local exchange carrier's operators shall not be blocked or otherwise intercepted. Specifically, all "O minus" calls, that is, when an end-user dials zero without any following digits, shall be directed to the local exchange carrier operators. In equal access areas, "O plus"⁷ intraLATA calls shall not be intercepted or blocked. In non-equal access areas, it is prohibited to block or intercept "O minus" calls; however it is permissable to intercept "O plus" calls.

5. Blocking and interception prohibitions shall be included in tariffs and contracts by stating that violators will be subject to immediate termination of service after 20 days' notice to the owners of non-complying customer premises equipment.

6. Operators shall provide, upon specific request, carrier identification codes that are used in 10XXX0 dialing sequences.

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⁷ A "0 plus" or "0+" call occurs when an end-user dials zero and then dials the digits of the called telephone number.

7. Carriers shall provide tent cards and stickers to be placed near or on telephone equipment used to access their services and shall include provisions in tariffs and contracts that subject violators to termination of service.

8. Operators shall be required to identify the carrier at both the beginning and conclusion of the operator contact on every call.

9. Operators shall provide an indication of the carrier's rates to any caller upon request.

10. Carriers shall not accept calling cards for billing purposes if they are unable to validate the card.

IT IS THEREFORE ORDERED that:

1. All non-local exchange carrier providers of operator-assisted services shall comply with the restrictions and conditions of service contained herein and shall refile their operator-assisted services tariffs in accordance with these requirements within 30 days of the date of this Order.

2. In the alternative, non-local exchange carrier providers of operator-assisted services shall provide evidence or testimony why they should not have to comply with the restrictions and conditions of service contained herein and may request a public hearing within 30 days of the date of this Order.

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Done at Frankfort, Kentucky, this 8th day of September, 1989.

PUBLIC SERVICE COMMISSION

Chairman nan

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ATTEST:

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Executive Director