COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF SOUTH CENTRAL) BELL TELEPHONE COMPANY TO RESTRUCTURE) CASE NO. 10402 AND REPRICE ITS 1.544 MEGABIT SERVICE)

ORDER

On September 8, 1988, South Central Bell Telephone Company ("SCB") filed a motion with the Commission requesting permission to deviate from the filing requirements of 807 KAR 5:011, Section 10. No responses to this motion were filed.

The Commission having considered the motion, and being advised, is of the opinion and finds that the motion should be granted except as to 807 KAR 5:011, Section 10(1)(a). Thus, the Commission will require that SCB comply with the requirements that the proposed rates cover at least incremental costs and a reasonable contribution to overhead, as mandated by Subsection (1)(a) of 807 KAR 5:011, Section 10. Later in this proceeding the Commission may seek further information concerning cost justification.

BE IT SO ORDERED.

Done at Frankfort, Kentucky, this 18th day of January, 1989.

PUBLIC SERVICE COMMISSION Chairman Tha 71'00

ATTEST:

Executive Director