

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE INVESTIGATION AND REVIEW OF)	
CUSTOMER-OWNED, COIN-OPERATED)	ADMINISTRATIVE
TELEPHONE REGULATION)	CASE NO. 337

O R D E R

On October 7, 1991, the Commission entered an Order in this proceeding finding that all customer-owned coin-operated telephones ("COCOTs") are utilities as defined in KRS 278.010. On October 28, 1991, Intellicall, Inc. ("Intellicall") and Coin Phone Management Company ("Coin Phone") filed a motion for rehearing pursuant to KRS 278.400. Intellicall and Coin Phone request clarification of several matters. South Central Bell filed a response in opposition to the motion for rehearing.

First, Intellicall and Coin Phone seek clarification of whether COCOT providers are authorized to carry intraLATA calls. Prior to the Commission's October 7, 1991 determination that COCOT carriers are jurisdictional utilities, COCOT providers had been carrying intraLATA calls. It was not the Commission's intention that service rendered by COCOT providers prior to the October 7, 1991 Order should be geographically restricted. Therefore, the Commission will clarify the October 7, 1991 Order and state that COCOT providers are authorized to carry intraLATA calls only if

the carrier which carries the call is authorized to carry intraLATA traffic.

Second, Intellicall and Coin Phone request rehearing of the determination that they must file tariffs within 30 days of the effective date of any change in local exchange carriers' ("LECs") rates or AT&T Communications of the South Central States, Inc.'s ("AT&T") rates. Citing the difficulty of knowing when LECs' rates and AT&T's rates have been modified, Intellicall and Coin Phone ask that AT&T and the LECs should be required to notify COCOT providers of changes in their tariffs. The determination of authorized rates is the responsibility of each utility. Therefore, the Commission will not require AT&T and the LECs to notify COCOTs of rate changes and this request for rehearing is denied.

Third, Intellicall and Coin Phone request that COCOTs be authorized to direct "0-" calls to an operator service provider that is capable of handling emergency situations. The Commission has required of all telephone utilities that "0-" calls be directed to the LECs' operators and Intellicall and Coin Phone present no information demonstrating why COCOT providers should not have to follow this generally applicable requirement. Accordingly, rehearing of this issue is denied.

Finally, Intellicall and Coin Phone ask for clarification about whether COCOT providers have to file a tariff for "1+" sent paid calls. The Commission will modify the Order on its face to clarify that tariffs must include rates for "1+" sent paid calls

for all COCOT providers except the coin-only COCOT providers furnishing only access to the network.

On October 30, 1991, the Commission received a letter from Masa Food Products, Inc. ("Masa"). Masa requests clarification about whether a payphone located in a production plant provided for the exclusive use of employees and their guests meets the statutory definition of a utility as described on page 4 of the October 7, 1991 Order. The Commission's Order nowhere limits the scope of its jurisdiction to only those payphones provided in areas open to all members of the public. Instead, the Order specifically asserts that all COCOT providers are utilities. The location of a payphone in an area restricted to employees and employees' guests falls within the statutory definition of "for the public." Therefore, the payphone operated by Masa must be provided pursuant to a tariff in compliance with the requirements of the October 7, 1991 Order and this Order. Likewise, the provision of payphone services in correctional facilities, hospitals, hotels and other similarly situated facilities also meets the statutory definition of a utility and, accordingly, must be provided pursuant to the requirements of this proceeding.

On its own motion, the Commission modifies the October 7, 1991 Order to require coin-only COCOT providers furnishing only access to the network proposing to adopt the rate of the LEC operated payphones in their locale to file a letter advising the Commission of its intent to use the LEC rate.

IT IS THEREFORE ORDERED that:

1. The Commission's October 7, 1991 Order in this proceeding is hereby clarified to state that COCOT providers may carry intraLATA calls only if the carrier which carries the call is authorized to carry intraLATA traffic. Furthermore, COCOT providers must include in their tariffs rates for "1+" sent paid calls, unless they are coin-only COCOTs that provide only access to the network.

2. Persons who own, control, operate, or manage COCOTs or payphones for the use of their employees and employees' guests or located in correctional facilities, hospitals, hotels, and similar facilities are utilities and shall comply with the Commission's October 7, 1991 Order in this proceeding and this Order.

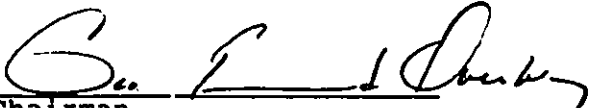
3. The motion for rehearing is denied in all respects except as specified in ordering paragraph 1 above.


4. Within 20 days of the date of this Order, each coin-only COCOT provider furnishing only access to the network and proposing to adopt the rate of the LEC operated payphones in its locale shall file a letter advising the Commission of its intent to use the LEC rate.

5. Except as otherwise specifically described herein, the October 7, 1991 Order in this proceeding remains in full force and effect.

Done at Frankfort, Kentucky, this 8th day of November, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director