

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF GTE SOUTH)
INCORPORATED TO ESTABLISH MEET)
POINT BILLING AND REDUCE SWITCHED) CASE NO. 90-244
TRANSPORT RATES)

O R D E R

On July 30, 1990, GTE South Incorporated ("GTE South") made a tariff filing to establish meet point billing for access services provided by more than one local exchange carrier. On August 27, 1990, the tariff filing was suspended to allow sufficient time for investigation. No petitions to intervene have been filed and no public hearing has been held. All information requested by the Commission has been filed.

Meet point billing is a billing plan for switched and special access services in cases where one segment of an access service is located in the operating area of one local exchange carrier and another segment(s) is located in the operating area of another local exchange carrier(s). It is required for Feature Groups C and D switched access services and special access services, and optional for Feature Groups A and B switched access services. It can be provided under a single bill option or a multiple bill option. The single bill option allows a customer to receive one bill from one local exchange carrier, under any of three alternative arrangements. The multiple bill option allows all

local exchange carriers to bill a customer for their portion of a jointly provided access service.

As part of its meet point billing proposal, GTE South proposes to reduce switched access transport rates. Present rates are \$.0015053 for premium access per minute per mile and \$.0006774 for non-premium access per minute per mile. Proposed rates are \$.0013019 for premium access per minute per mile and \$.0005686 for non-premium access per minute per mile.

The present rate structure was developed for a multiple bill-multiple tariff billing arrangement. Since it was developed, GTE South and South Central Bell Telephone Company ("South Central Bell") have converted to a single bill-single tariff billing arrangement, which allows the local exchange carrier serving the end-user to bill for access services irrespective of whether the facilities involved are GTE South provided or jointly provided by GTE South and South Central Bell. The rate structure has not been changed to reflect the changed billing arrangement.

When GTE South is the billing local exchange carrier and facilities are jointly provided, GTE South bills its switched access transport rates for the entire route and compensates South Central Bell at its rates for its portion of the haul. Since GTE South's rates are higher than South Central Bell's rates, overcharges result that must be refunded to access service customers. Thus, in order to eliminate overcharges and refunds, GTE South proposes to "blend" its and South Central Bell's switched access transport rates. Although reduced rates result,

the proposal is revenue neutral because GTE South will no longer be receiving revenue that must later be refunded.

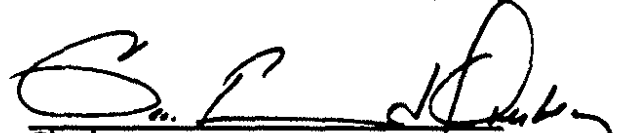
Having been otherwise sufficiently advised, the Commission HEREBY ORDERS that:


1. GTE South's tariff filing is approved as filed effective the date of this Order.


2. Within 30 days from the date of this Order, GTE South shall file revised tariff pages stating the rates and terms and conditions of service approved herein.

Done at Frankfort, Kentucky, this 25th day of January, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director