

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF INTERNATIONAL )  
TELECOMMUNICATIONS EXCHANGE ) CASE NO. 91-287  
CORPORATION FOR A CERTIFICATE TO )  
RESELL TELECOMMUNICATIONS SERVICE )

O R D E R

On August 12, 1991, International Telecommunications Exchange Corporation ("INTEX") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to provide intrastate resold telecommunications services. INTEX does not request authority to provide operator-assisted services.

Although INTEX is seeking intraLATA operating authority, the Commission has permitted intraLATA competition only through the resale of local exchange carrier ("LEC") provided WATS.<sup>1</sup> Consistent with its decisions in Case Nos. 89-017,<sup>2</sup> 89-363,<sup>3</sup>

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<sup>1</sup> Wide Area Telecommunications Service.

<sup>2</sup> Case No. 89-017, The Application of LDD, Inc. For the Issuance of A Certificate of Public Convenience and Necessity To Operate As a Reseller of Telecommunications Services Within The Commonwealth of Kentucky; The application of DCI, Inc. For the Issuance of A Certificate of Public Convenience and Necessity To Provide Intrastate, InterLATA Telecommunications Services To the Public As A Facilities-Based Non-Dominant InterLATA Carrier.

<sup>3</sup> Case No. 89-363, Cincinnati Bell Long Distance, Inc. For Authority to Expand Their Market Area. For a discussion of the Commission's policy concerning resellers' use of out-of-state facilities, see the March 8, 1990 Order in this proceeding.

90-351,<sup>4</sup> and 91-177,<sup>5</sup> the Commission will allow INTEX to provide intraLATA services pending the implementation of intraLATA competition pursuant to Administrative Case No. 323.<sup>6</sup> As with the carriers mentioned herein, INTEX will be required to originate all intraLATA calls on LEC's access services and terminate via LECs' WATS. INTEX will be required to keep records reflecting that its intraLATA traffic volumes correspond to its purchase of LECs' services.

#### FINDINGS AND ORDERS

INTEX has the financial, technical, and managerial capabilities to provide statewide telecommunications services as a WATS reseller, a capability demonstrated by its provision of such services in other jurisdictions. INTEX should be granted authority to provide statewide telecommunications services as a WATS reseller on an interim basis, pending the implementation of intraLATA competition pursuant to Administrative Case No. 323, and contingent upon INTEX's compliance with originating intraLATA

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<sup>4</sup> Case No. 90-351, The Application of American Network Exchange, Inc. for A Certificate of Public Convenience and Necessity to Operate As an Interexchange Telecommunications Reseller and Provider of Operator Services Within the Commonwealth of Kentucky.

<sup>5</sup> Case No. 91-177, The Application of ATC Long Distance For a Certificate of Convenience and Necessity to Operate as Reseller of Telecommunications Services Within the state of Kentucky.

<sup>6</sup> Administrative Case No. 323, An Inquiry Into IntraLATA Toll Competition, An Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality.

calls only on LECs' access services and terminating such calls using only LECs' WATS.

The Commission, having considered the evidence of record and being sufficiently advised, HEREBY ORDERS that:

1. INTEX be and it hereby is granted authority to provide statewide telecommunications services as a WATS reseller on an interim basis, pending the implementation of intraLATA competition pursuant to Administrative Case No. 323, and contingent upon INTEX's compliance with originating intraLATA traffic only on LECs' access services and terminating such traffic using only LECs' WATS.

2. INTEX shall file a statement within 20 days from the date of this Order stating that it will comply with the above conditions of WATS reseller, including that it will provide intraLATA services, exclusive of intraLATA operator-assisted services, by originating such traffic only on LECs' access services and terminating intraLATA traffic using only LECs' WATS.

3. If INTEX is unable to comply with ordering paragraphs 1 and 2, it shall file tariffs reflecting only interLATA operating authority within 30 days from the date of this Order.

4. Within 30 days of the implementation of intraLATA competition pursuant to Administrative Case No. 323, Phase I, INTEX shall file evidence demonstrating its service configuration is consistent with such implementation of intraLATA competition.

5. INTEX shall keep records reflecting that its intraLATA traffic volumes reasonably correspond to its purchase of LECs' services.

6. This authority to provide service is strictly limited to those services described in this Order, INTEX's application, and conditions described in this Order.

7. INTEX shall be subject to regulation as delineated in the May 25, 1984 and October 26, 1984 Orders in Administrative Case No. 273,<sup>7</sup> as well as any subsequent modifications to non-dominant carrier regulations.

8. INTEX shall comply with the Commission decisions in Administrative Case Nos. 323 and 328,<sup>8</sup> now pending, that may apply to INTEX's Kentucky operations.

9. INTEX's "Travel Card Service," "800 Service," and any special/dedicated services shall only be provided under the following conditions:

a. INTEX shall measure and report interstate and intra-state jurisdictional usage and interLATA and intraLATA usage. INTEX shall file the reports with the Commission on a quarterly basis. These reports shall be filed in Case No. 91-036.<sup>9</sup>

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<sup>7</sup> Administrative Case No. 273, An Inquiry Into Inter- and IntraLATA Competition in Toll and Related Services Markets in Kentucky.

<sup>8</sup> Administrative Case No. 328, Investigation Into Whether WATS Resellers Should be Included in the ULAS Allocation Process.

<sup>9</sup> Case No. 91-036, Jurisdictional Usage Reports, Order entered February 4, 1991.

b. INTEX shall inform its prospective customers that the Commission has not authorized it to market or tariff these services to complete intraLATA calls.

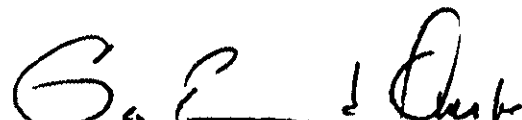
c. INTEX shall be prepared to compensate LECs for unauthorized intraLATA call completion.


10. INTEX is not authorized to provide any operator-assisted telecommunications services.

11. Within 30 days from the date of this Order, INTEX shall file its tariff sheets in accordance with 807 KAR 5:011 to conform to the restrictions and conditions of service contained herein.

Done at Frankfort, Kentucky, this 14th day of October, 1991.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

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Commissioner

ATTEST:

  
Executive Director