

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INQUIRY INTO THE COMMUNITY OF INTEREST)
AND AFFECT THEREOF BETWEEN THE AREAS OF) CASE NO.
GEORGETOWN, KENTUCKY AND LEXINGTON,) 91-149
KENTUCKY)

O R D E R

On November 25, 1991, the Public Service Commission ordered GTE South Incorporated ("GTE South") and South Central Bell Telephone Company ("South Central Bell") to provide flat-rated extended area calling service between and among the Georgetown exchange, Midway exchange and the Lexington exchanges. The Commission has received several letters and petitions containing hundreds of names from the Sadieville exchange and the Stamping Ground exchange in Scott County regarding the exclusion of those exchanges from the local calling extension to Lexington and Midway. These letters allege that the community of interest existing between the Georgetown exchange of Scott County and the Lexington and Midway exchanges also exists between and among the Sadieville exchange and the Stamping Ground exchange and the Lexington and Midway exchanges.

The Commission did note in the November 25, 1991 Order at page 8 that, "[a] number of the witnesses sponsored by the Georgetown/Scott County Chamber of Commerce described the community of interest in general terms for the Sadieville and Stamping Ground exchanges to Lexington asserting that the community of interest

between Georgetown and Lexington extended to the northern part of Scott County." However, at that time the Commission declined to require local service to be extended from the Lexington and Midway exchanges to the Sadieville and Stamping Ground exchanges stating that all of the witnesses emphasized the Georgetown area and that the cost analysis of South Central Bell did not include the effect of extending area service between Sadieville, Stamping Ground and Lexington.

The Commission will treat the letters from Raymond M. Bivens, Scotty Mullannix, and Rollie and Diana Marshall as formal complaints and will reconsider its decision excluding the Sadieville exchange and the Stamping Ground exchange from the local calling expansion to and between the metropolitan Lexington exchanges, the Midway exchange and the Georgetown exchange. To reconsider its November 25, 1991 decision the Commission will require additional information. Accordingly, South Central Bell and GTE South shall file the following information:

1. Revised cost studies that would include the Sadieville and Stamping Ground exchanges in the Georgetown/Lexington Extended Area Service ("EAS") arrangement and the date by which such service could be implemented in the Sadieville and Stamping Ground exchanges.

2. AT&T of the South Central States ("AT&T") shall provide traffic studies to quantify the aggregate traffic levels, the distribution by type of service, by rate period and by calls and the revenues per line.

3. South Central Bell and GTE South should provide the impact which extending flat-rate calling to Sadieville and Stamping Ground would have on rates for all of Scott County, Midway, and Lexington.

4. South Central Bell shall apply the gross-up factor supplied by the Commission Staff by Order dated September 24, 1991 to determine the traffic from Sadieville and Stamping Ground to Lexington and Midway and vice versa.

5. South Central Bell and GTE South may submit alternatives for addressing the community of interest existing between Stamping Ground, Sadieville, Lexington, and Midway including local calling options, South Central Bell's Area Calling Service, or other proposals.

IT IS THEREFORE ORDERED that:

1. The letters filed with the Commission on March 17, 1993 and March 22, 1993 shall be considered formal complaints and the Commission shall reconsider its decision to exclude the Sadieville and Stamping Ground exchanges from the flat-rated EAS ordered for Georgetown, Lexington, and Midway.


2. Within 30 days of the date of this Order, AT&T shall file the call traffic information for Sadieville and Stamping Ground to the Lexington and Midway exchanges and vice versa.

3. Within 45 days of the date of this Order, South Central Bell and GTE South shall file information requested herein.

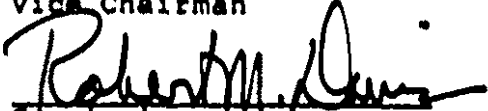
4. South Central Bell shall publish notice of possible rate increases to its customers in the Sadleville and Stamping Ground exchanges.

Done at Frankfort, Kentucky, this 23rd day of April, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director