COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| THE APPLICATION OF VARTEC TE | LECOM,) |
|------------------------------|---------------------------|
| INC. FOR A CERTIFICATE OF PU | BLIC) |
| CONVENIENCE AND NECESSITY TO | PROVIDE) CASE NO. 93-130 |
| INTRASTATE RESOLD TELECOMMUN | ICATIONS) |
| SERVICES AS A NONDOMINANT CA | RRIER) |

ORDER

On April 5, 1993, VarTec Telecom, Inc. ("VarTec") filed an application with the Commission seeking a Certificate of Public Convenience and Necessity to provide intrastate long-distance resold telecommunications services within the Commonwealth of Kentucky. VarTec was ordered to file additional information on May 19, 1993. VarTec filed its response on June 11, 1993.

VarTec is a Texas corporation with its principal offices in the state of Texas and intends to resell tariffed services of facilities-based carriers certified by this Commission.

VarTec does not own or intend to construct any telecommunications transmission facilities within the Commonwealth of Kentucky. VarTec intends to lease transmission facilities within Kentucky and will ensure that intrastate access charges are paid on intrastate calls by limiting the origination of intrastate traffic to access through Feature Group "D" services purchased from the local exchange companies. Termination of intrastate calls will be provided by an underlying carrier certified by this Commission.

The application provided by VarTec demonstrates its financial, managerial, and technical capability. The Commission finds that VarTec should be authorized to provide intrastate long-distance resold telecommunications services within the Commonwealth of Kentucky. The Commission further finds that the rates proposed by VarTec should be approved as the fair, just, and reasonable rates to be charged.

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

- 1. VarTec be and it hereby is granted authority to provide intrastate long-distance resold telecommunications services within the Commonwealth of Kentucky on and after the date of this Order.
- 2. VarTec's authority to provide service is strictly limited to those services described in this Order and VarTec's application.
- 3. IntraLATA long-distance resold services shall be provided pursuant to the restrictions and conditions of service contained in Administrative Case No. 323.1
- 4. The rates proposed by VarTec on April 5, 1993 and revised on June 11, 1993 are hereby approved.
- 5. Within 30 days from the date of this Order, VarTec shall file its April 5, 1993 tariff sheets, as revised on June 11, 1993, without modifications pursuant to 807 KAR 5:011 and to conform to the restrictions and conditions of service contained herein.

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, Phase I, Order dated May 6, 1991.

Done at Frankfort, Kentucky, this 13th day of July, 1993.

PUBLIC SERVICE COMMISSION

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Vice Chairman

Committee on the

ATTEST:

Executive Director