COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES, INC. TO REDUCE THE TARIFF FILING NOTICE PERIOD APPLICABLE TO SPECIAL SERVICE PROMOTIONS MADE AVAILABLE TO KENTUCKY CUSTOMERS

CASE NO. 94-500

ORDER

On December 7, 1994, AT&T Communications of the South Central States, Inc. ("AT&T") filed a petition requesting the Commission to reduce the notice period for special customer service promotions offered for a limited time from 30 days to one day. AT&T also sought permission to provide the notice by an informational letter rather than by a tariff filing. On January 30, 1995, MCI filed a motion for intervention supporting AT&T's request and seeking the same relief.

ARGUMENT

KRS 278.180 requires 30 days' notice before tariff changes become effective. In support of its petition, AT&T cited KRS 278.512(2), which provides that the Commission may exempt telecommunications utilities from statutory requirements if there is clear and satisfactory evidence that doing so is in the public interest. AT&T has already been granted reduced regulation in many

areas in Case No. 92-297. All other interexchange carriers ("IXCs") operate under reduced regulation.

AT&T further argued that promotions act as a catalyst to promote effective competition in the marketplace and provide real benefits to customers. Delays harm the customer and detrimentally affect marketing, both at the local and national level. AT&T also argues that the market will protect its customers and that Commission oversight is, therefore, unnecessary.

DECISION

Promotions for long-distance service from AT&T, MCI, and all IXCs and resellers should be encouraged. No reason exists in this market for the Commission to review these promotions. Therefore, pursuant to KRS 278.512, the Commission will permit IXCs' and resellers' long-distance service promotions to become effective on one day's notice pursuant to an informational letter. Public notice for any rate increase must be published. The exemption does not extend to public notice requirements.

However, the Commission is not extending this exemption to operator services, payphone services, including credit card and debit card providers, intraLATA long-distance service offered by a local exchange carrier ("LEC"), competitive access services, or any service provided by a competitive access provider ("CAP"). All of these service offerings require different regulatory treatment due

Case No. 92-297, Petition of AT&T Communications of the South Central States, Inc. for Reduced Regulation of Intrastate Telecommunications Services.

to potential abuses in the market. Therefore, any IXC or reseller filing a promotion that relates to a service not exempted under this Order must file a full tariff and give 30 days' notice pursuant to KRS 278.180. LECs must, until the intraLATA market develops further, file full tariffs giving 30 days' notice for promotions on long-distance service as well. CAPs must also file a full tariff and give 30 days' notice for all service offerings.

IT IS THEREFORE ORDERED that:

- 1. AT&T's motion, with respect to intrastate long-distance service promotions, is hereby approved for all IXCs and resellers.
- 2. The abbreviated notice promotional filing shall contain an original and four copies of the informational letter stating the purpose of the filing, with reference to the authorization for abbreviated notice as set out by this Order.
- 3. A copy of this Order shall be served on all telecommunications carriers in Kentucky, except COCOTS.
- 4. That part of the currently approved tariff stating that special promotions of long-distance service may be made shall be refiled, indicating that such promotions may be made on an abbreviated notice schedule.

Done at Frankfort, Kentucky, this 7th day of November, 1995.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

<u> (Xuda /) Islath</u> Commissioner

ATTEST:

Executive Director