

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BOTTOM LINE)
TELECOMMUNICATIONS, INC. FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE AND) CASE NO. 94-501
NECESSITY TO PROVIDE RESOLD INTRASTATE)
TELECOMMUNICATIONS SERVICES)

O R D E R

On December 9, 1994, Bottom Line Telecommunications, Inc. ("Bottom Line") filed an application with the Commission seeking a Certificate of Public Convenience and Necessity to resell intrastate long-distance telecommunications services within the Commonwealth of Kentucky. On March 7, 1995, Bottom Line filed its response to the Commission's February 7, 1995 Order requesting additional information.

In its response to the Commission's February 7, 1995 Order, Bottom Line stated that it had inadvertently received compensation for providing intrastate telecommunications services in Kentucky as incidental traffic to its provision of interstate services. Consequently, it appears that Bottom Line failed to file with the Commission its application for approval to operate and its schedule of rates and conditions of service prior to collecting compensation for the provision of utility service in violation of KRS 278.020 and KRS 278.160.

Bottom Line has offered terms pursuant to which it hopes to reach full settlement with the Commission regarding any and all

actions that could be brought against Bottom Line for its apparent violations of the statutes. Specifically, Bottom Line has stated its intent to cease charging for any intrastate telecommunications services within the Commonwealth of Kentucky and to refund all amounts received as compensation for providing Kentucky intrastate services prior to its receipt of authorization to provide those services [May 17, 1995 Letter to Don Mills, Executive Director of The Commission, from Charles H. N. Kallenbach, Counsel to Bottom Line]. In addition, Bottom Line has provided the Commission with a list of its Kentucky intrastate customers, together with the amounts billed them for intrastate service [April 7, 1995 Letter to Don Mills, Executive Director of the Commission, from Dana Fix, Counsel to Bottom Line].

The Commission finds that the terms proposed, together with the payment of a \$100 penalty tendered by Bottom Line on April 7, 1995, are reasonable terms of settlement and constitute an expeditious and cost-effective manner of resolving this matter.

Bottom Line is a Washington corporation with its principal offices in the state of Washington and intends to resell tariffed services of facilities-based carriers certified by this Commission. Bottom Line does not request authority to provide operator-assisted telecommunications services.

Bottom Line does not own or operate, nor does it intend to construct, any telecommunications transmission facilities within the Commonwealth of Kentucky. All intrastate telecommunications

transmission services will be provided by an underlying carrier certified by this Commission.

The application provided by Bottom Line demonstrates its financial, managerial, and technical capability to provide utility service. The Commission finds that Bottom Line should be authorized to resell intrastate long-distance telecommunications services within the Commonwealth of Kentucky.

Bottom Line filed its proposed tariff on December 9, 1994. In response to the Commission's request for additional information, Bottom Line filed revised tariff sheets on March 7, 1995. The Commission finds that the rates proposed by Bottom Line, as revised on March 7, 1995, should be approved as the fair, just, and reasonable rates to be charged.

In Administrative Case No. 306¹ the Commission stated the importance of eliminating possible customer confusion arising from the name of the billing service, rather than the name of the provider of telecommunications services, appearing on the bill. Accordingly, Bottom Line should ensure that its name appears prominently on all bills issued to customers for services rendered.

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

1. The terms offered by Bottom Line, as described in this Order, are hereby accepted by the Commission in full settlement of any and all actions it could bring against Bottom Line for its

¹ Administrative Case No. 306, Detariffing Billing and Collection Services, Order Dated April 30, 1990.

having collected compensation for providing the unauthorized telecommunications services described in this Order.

2. Within 30 days of the date of this Order, Bottom Line shall refund to its customers all amounts collected by it as compensation for intrastate telecommunications services within Kentucky prior to the date of this Order.

3. Bottom Line be and it hereby is granted authority to resell intrastate long-distance telecommunications services within the Commonwealth of Kentucky on and after the date of this Order.

4. Bottom Line shall ensure that its name appears prominently on all bills issued to customers for services rendered.

5. Bottom Line's authority to provide service is strictly limited to those services described in this Order and Bottom Line's application.

6. IntraLATA services shall be provided in accordance with the restrictions and conditions of service contained in Administrative Case No. 323.²

7. The rates proposed by Bottom Line on December 9, 1994, as revised on March 7, 1995, are hereby approved.


8. Within 30 days from the date of this Order, Bottom Line shall file, pursuant to 807 KAR 5:011, its December 9, 1994 tariff sheets, as revised on March 7, 1995, without modifications and which conform to the restrictions and conditions of service contained herein.

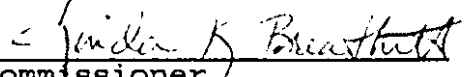
² Administrative Case No. 323, An Inquiry Into IntraLATA Toll Competition, An Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality.

Done at Frankfort, Kentucky, this 14th day of June, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director