

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TELECOMMUNICATIONS RELAY SERVICES	)	
AND THE FUNDING PROCESS FOR THE	)	ADMINISTRATIVE
TELECOMMUNICATIONS RELAY SERVICE	)	CASE NO. 357
AND THE TELECOMMUNICATIONS DEVICES	)	
FOR THE DEAF PROGRAMS	)	

O R D E R

On July 19, 1996, the Commission awarded AT&T Communications of the South Central States, Inc. ("AT&T") the contract for the provision of Telecommunications Relay Service ("TRS") for the period of July 19, 1996 through September 19, 1998. On August 7, 1996, Sprint Communications Company, L.P. ("Sprint") filed a petition for rehearing pursuant to KRS 278.400. On August 21, 1996, AT&T filed a responses to Sprint's petition. The Commission issued an Order on August 27, 1996 granting Sprint's rehearing request on the limited issues of determining the lowest average call length and the total features that each company provides which are included in the total cost per minute.

The Commission requested information from the parties to be submitted within 10 days. Sprint and AT&T filed their responses on September 6, 1996. Included in the responses were information concerning average length of calls, for which each company has requested confidential protection pursuant to 807 KAR 5:001, Section 7. The Commission has reviewed this information in combination with the price per minute and determined that the estimated total cost of AT&T's contract is lower than Sprint's.

Sprint cautioned the Commission that the use of average call length may not be a reliable indicator of the calling habits of Kentucky consumers and the average call length is primarily dependent on the user, not the provider. Based on information provided by AT&T, Kentucky users' average call lengths are near the AT&T system average. Therefore, it is reasonable to expect that the average call length of Kentucky users on Sprint's system would fall near the system-wide average call length. Sprint's breakdown of average call setup, wrapup and call length refutes its argument that call length is primarily dependent on the user because a significant portion of the billable minutes consists of setup time, which is primarily dependent on the system operator technology. Sprint and AT&T also requested that this information be held confidential on the basis that it could cause competitive harm in future TRS bids, which indicates that the information is valuable in determining contract price.

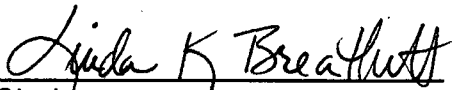
The Commission has also reviewed the list of features to be included in the contract price by each company. All features were similar with the exception of these items to be provided by AT&T: Integrated Services Digital Network, Automated Route Selection, Billing Equivalency for Consumers, Call Waiting, Customer Satisfaction Tools, Higher Transmission Speeds, Instantaneous Service Recovery, Originating Line Screening, Text to Speech, Touch Tone Carryover, and Voice Carryover to Text.

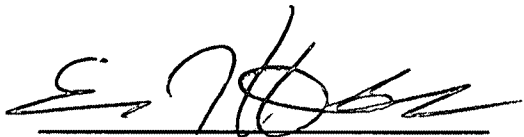
AT&T will provide more features and an estimated lower total contract price. These two factors most definitively determine the "most cost effective method of providing TRS" and provide the most benefits to the citizens of the Commonwealth.

IT IS THEREFORE ORDERED that the Commission's Order of July 19, 1996 is affirmed and AT&T shall remain the provider of TRS in Kentucky for the stated contract period.

Done at Frankfort, Kentucky, this 24th day of September, 1996.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director