

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BN1)
TELECOMMUNICATIONS, INC. FOR A) CASE NO. 95-463
CERTIFICATE TO RESELL)
TELECOMMUNICATIONS SERVICE)

O R D E R

On October 20, 1995, BN1 Telecommunications, Inc. ("BN1") filed an application with the Commission seeking a Certificate of Public Convenience and Necessity to resell intrastate interexchange long-distance telecommunications services within the Commonwealth of Kentucky. On March 6, 1996 and June 13, 1996, BN1 filed its responses to the Commission's February 5, 1996 Order requesting additional information.

BN1 is an Ohio corporation with its principal office in the state of Ohio and intends to resell tariffed services of facilities-based carriers certified by this Commission. BN1 requests authority to provide operator-assisted telecommunications services.

BN1 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 BN1 demonstrates its financial, managerial, and technical capability to provide utility service. The Commission finds that BN1 should be

authorized to resell intrastate interexchange long-distance telecommunications services within the Commonwealth of Kentucky.

BN1 filed its proposed tariff on October 20, 1995. In response to the Commission's request for additional information, BN1 filed revised tariff sheets on March 6, 1996. The Commission finds that BN1 has revised its tariff to comply with the restrictions, guidelines, and conditions of service established for the provision of operator-assisted services in Administrative Case No. 330,¹ which are attached hereto and incorporated herein as Appendix A. The Commission further finds that the rates proposed by BN1, as revised on March 6, 1996, should be approved as the fair, just, and reasonable rates to be charged, subject to the following modifications:

- a. Replace all references to the PUCO with the Kentucky Public Service Commission.
- b. Replace all references to KY C.S. with the Kentucky Revised Statutes ("KRS").
- c. Refer to Original Page 20, Section 2.9.2.E. Move from this section to Original Page 43, Section 3.8.8. Do not include a maximum and minimum rate.
- d. Refer to Original Page 21, Section 2.10.1. Clarify paragraph one. In paragraph two, after "but" add "not" and delete "arrears and", so that provision fully complies with 807 KAR 5:006, Section 8(3)(h).
- e. Refer to Original Page 27, Section 2.18.5. Clarify this provision. Include a definition for "Resp. Org."

¹ Administrative Case No. 330, Policy and Procedures in the Provision of Operator-Assisted Telecommunications Services, Orders Dated March 27 and May 3, 1991.

In Administrative Case No. 306,² 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, BN1 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. BN1 is granted authority to resell intrastate interexchange long-distance telecommunications services within the Commonwealth of Kentucky on and after the date of this Order.

2. BN1 is granted authority to provide intrastate operator-assisted services within the Commonwealth of Kentucky on and after the date of this Order.

3. BN1 shall ensure that its name appears prominently on all bills issued to customers for services rendered.

4. BN1's authority to provide service is strictly limited to those services described in this Order and BN1's application, and the conditions described in this Order and in Appendix A.

5. IntraLATA services shall be provided in accordance with the restrictions and conditions of service contained in Administrative Case No. 323.³

² Administrative Case No. 306, Detariffing Billing and Collection Services, Order Dated April 30, 1990.


³ 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.

6. The rates proposed by BN1 on October 20, 1995, as revised on March 6, 1996 with the additional modifications stated herein, are hereby approved.

7. Within 30 days from the date of this Order, BN1 shall file, pursuant to 807 KAR 5:011, its October 20, 1995 tariff sheets, as revised on March 6, 1996, with the additional modifications stated herein.

Done at Frankfort, Kentucky, this 30th day of July, 1996.

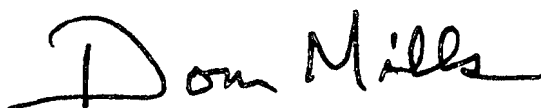
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 95-463 DATED 7/30/96

**Conditions of Service for the Provision of Operator Services Adopted
from Commission Orders in Administrative Case No. 330, Orders Dated
March 27, 1991 and May 3, 1991.**

(1) Operator-assisted services shall be subject to rate regulation and rates shall not exceed the maximum approved rates of AT&T Communications of the South Central States, Inc. ("AT&T") for interLATA services and the local exchange carrier ("LEC") for intraLATA services. "Maximum approved rates" are defined to mean the rates approved by this Commission in AT&T's and the LEC's most recent rate proceeding for measured toll service applicable to operator-assisted calls, as well as the additional charges for operator assistance. Carriers are not permitted to include any other surcharges or to bill for uncompleted calls. Time-of-day discounts shall also be applicable. Carriers are also required to rate calls using the same basis that AT&T and the LEC uses to rate calls, i.e., distance calculations based on points-of-call origination and termination, definitions of chargeable times, billing unit increments, rounding of fractional units, and minimum usages. When there is any change in the maximum approved rates, carriers shall file tariffs if necessary to comply with the requirements herein within 30 days of the effective date of the rate change.

(2) Except as otherwise indicated in this Order, non-dominant carriers shall be subject to regulation as delineated in the May 25, 1984 Order in Administrative Case No. 273 as well as any subsequent modifications to non-dominant carrier regulations. In the

event of conflict, the terms of the instant Order shall take precedence, unless a carrier is specifically relieved from compliance with any conditions contained herein.

(3) Operator service providers that provide service to traffic aggregators shall not allow access to the operator services of competing carriers to be blocked or intercepted. Blocking and interception prohibitions shall be included in tariffs and all contracts entered into with any traffic aggregator and shall state that violators will be subject to immediate termination of service after 20 days' notice to the owners of non-complying customer premises equipment.

(4) Traffic aggregator is defined to mean any person that, in the ordinary course of its operations, makes telephones available to the public or to transient users of its premises for intrastate telephone calls using a provider of operator services. Aggregators include hotels and motels, hospitals, universities, airports, gas stations, and non-local exchange carrier pay telephone owners. This definition includes the provision of all non-local exchange carrier pay telephones even if no compensation is paid to the owner of the pay telephone. The residential use of operator services is specifically excluded from this definition.

(5) Access to the local exchange carriers' operators shall not be blocked or otherwise intercepted by traffic aggregators. Specifically, all "0-" calls, that is, when an end-user dials zero without any following digits, shall be directed to the local exchange carrier operators. In equal access areas, "0+" intraLATA calls, that is, when an end-user dials zero and then dials the digits of the called telephone number, shall not be intercepted or blocked. In non-equal access areas, it is prohibited to block or intercept "0-" calls; however, it is permissible to intercept "0+" calls. Blocking and interception prohibitions shall

be included in tariffs and all contracts entered into with any traffic aggregator and shall state that violators will be subject to immediate termination of service after 20 days' notice to the owners of non-complying customer premises equipment.

(6) Carriers shall not be required to provide access codes of competitors. Each carrier should advise its own customers as to the appropriate 10XXX access code.

(7) Carriers shall provide tent cards and stickers to traffic aggregators to be placed near or on telephone equipment used to access their services and shall include provisions in tariffs and contracts entered into with any traffic aggregator that subject violators to immediate termination of service after 20 days' notice to the owners of non-complying customer premises equipment.

(8) Operators shall identify the carrier at least once during every call before any charges are incurred.

(9) Operators shall provide an indication of the carrier's rates to any caller upon request.

(10) Carriers shall not accept calling cards for billing purposes if they are unable to validate the card.