

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF PREFERRED/TELECOM,)
INC. FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO OPERATE) CASE NO. 96-138
AS A RESELLER OF TELEPHONE SERVICES)
WITHIN THE STATE OF KENTUCKY)

O R D E R

On April 5, 1996, Preferred/telecom, Inc. ("Preferred/telecom") 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 May 28, 1996, Preferred/telecom filed its response to the Commission's May 16, 1996 Order requesting additional information.

Preferred/telecom is a Delaware corporation with its principal office in the state of Texas and intends to resell tariffed services of facilities-based carriers certified by this Commission.

Preferred/telecom 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 Preferred/telecom demonstrates its financial, managerial, and technical capability to provide utility service. The Commission finds that

Preferred/telecom should be authorized to resell intrastate interexchange long-distance telecommunications services within the Commonwealth of Kentucky.

Preferred/telecom filed its proposed tariff on April 5, 1996. In response to the Commission's request for additional information, Preferred/telecom filed revised tariff sheets on May 28, 1996. The Commission finds that the rates proposed by Preferred/telecom, as revised on May 28, 1996, should be approved as the fair, just, and reasonable rates to be charged.

In Administrative Case No. 306,¹ 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, Preferred/telecom 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. Preferred/telecom be and it hereby 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. Preferred/telecom shall ensure that its name appears prominently on all bills issued to customers for services rendered.

3. Preferred/telecom's authority to provide service is strictly limited to those services described in this Order and Preferred/telecom's application.

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


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

5. The rates proposed by Preferred/telecom on April 5, 1996, as revised on May 28, 1996, are hereby approved.

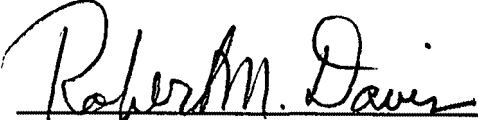
6. Within 30 days from the date of this Order, Preferred/telecom shall file, pursuant to 807 KAR 5:011, its April 5, 1996 tariff sheets, as revised on May 28, 1996, without modifications.

Done at Frankfort, Kentucky, this 12th day of July, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

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.