

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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|-------------------------------|---|-----------------|
| APPLICATION OF GTE SOUTH |) | |
| INCORPORATED FOR THE RURAL |) | |
| TELEPHONE COMPANY EXEMPTION |) | CASE NO. 96-313 |
| FROM CERTAIN REQUIREMENTS OF |) | |
| THE TELECOMMUNICATIONS ACT OF |) | |
| 1996 |) | |

O R D E R


On June 20, 1996, GTE South Incorporated ("GTE South") filed a letter, which the Commission will treat as an application, stating that its area formerly served by Contel of Kentucky, Inc. ("Contel") qualifies for the rural exemption provided by the Telecommunications Act of 1996 ("the Act"). Rural telephone companies as defined in Section 3(a)(47) of the Act are not required to comply with certain duties imposed upon other incumbent local exchange carriers. GTE South states that it qualifies under Section 3(a)(47)(c) because its Contel study area serves fewer than 100,000 access lines.

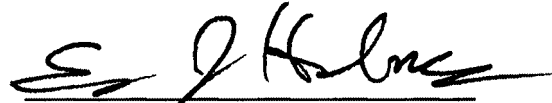
The information submitted by GTE South does not indicate that it is entitled to claim the rural exemption. Its study area within Kentucky includes not only the area formerly served by Contel, but all areas currently served by GTE South. Commission records indicate that Contel has merged into GTE South. Contel has no tariff on file at the Commission because it is no longer in existence.


IT IS THEREFORE ORDERED that GTE South's application for the rural telephone company exemption provided by the Telecommunications Act of 1996 is denied.

Done at Frankfort, Kentucky, this 10th day of July, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director