

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NYNEX LONG DISTANCE COMPANY APPLICATION)
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND) CASE NO.
NECESSITY TO RESELL INTEREXCHANGE (TOLL)) 96-351
TELECOMMUNICATIONS SERVICES WITHIN THE)
STATE OF KENTUCKY)

O R D E R

On July 18, 1996, Nynex Long Distance Company ("Nynex Long Distance") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to provide intrastate, long-distance telecommunications services as a reseller within the Commonwealth of Kentucky.

Nynex Long Distance, a wholly owned subsidiary of Nynex Worldwide Services Group, Inc., which is a wholly owned subsidiary of Nynex Corporation, is proposing to resell the services of carriers currently certified within the Commonwealth of Kentucky in accordance with the terms and conditions set forth in its tariff. Nynex Long Distance also seeks the authority to provide operator-assisted telecommunications services.

Nynex Long Distance employs no intrastate transmission or reception telecommunications equipment or facilities in the performance of its services, and all intrastate facilities, equipment, and networking will be provided by the underlying carrier. Nynex Long Distance will not construct any new facilities in the Commonwealth of Kentucky.

The information provided by Nynex Long Distance demonstrates its financial, managerial, and technical capability to provide intrastate, long-distance telecommunications service. The proposed rates filed July 18, 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, Nynex Long Distance should ensure that its name appears prominently on all bills issued to customers for services rendered by it.

The Commission, having considered the application, the information provided by Nynex Long Distance, and being otherwise sufficiently advised, HEREBY ORDERS that:

1. Nynex Long Distance is granted authority to provide intrastate, long-distance telecommunications services within the Commonwealth of Kentucky on and after the date of this Order.
2. Nynex Long Distance shall comply with the provisions of the Orders in Administrative Case No. 323.²
3. Nynex Long Distance is granted authority to provide operator services within the Commonwealth of Kentucky.

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

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.

4. Nynex Long Distance shall comply with the provisions of the Orders in Administrative Case No. 330,³ as summarized in appendix A, attached hereto and incorporated herein.

5. Nynex Long Distance shall ensure that its name appears prominently on all bills issued to customers for services rendered by it.

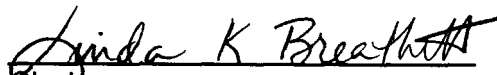
6. Nynex Long Distance's authority to provide service in this Commonwealth is strictly limited to those services described in this Order and in Nynex Long Distance's application.

7. The rates and charges proposed by Nynex Long Distance are hereby approved as filed on July 18, 1996.

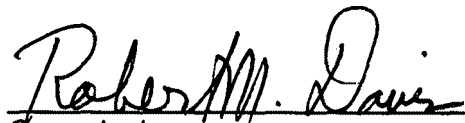
8. Within 30 days from the date of this Order, Nynex Long Distance shall file its tariff sheets in accordance with 807 KAR 5:011.

Done at Frankfort, Kentucky, this 3rd day of September, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

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

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 96-351 DATED SEPTEMBER 3, 1996

**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 or 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.