

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF SOUTH )  
CENTRAL BELL TELEPHONE )  
COMPANY REGARDING ) CASE NO. 95-285  
IMPLEMENTATION OF INTRALATA 1+ )  
PRESUBSCRIPTION )  
)

AT&T COMMUNICATIONS OF THE )  
SOUTH CENTRAL STATES, INC.; MCI )  
TELECOMMUNICATIONS )  
CORPORATION; SPRINT )  
COMMUNICATIONS COMPANY L.P.; ) CASE NO. 95-396  
AND WORLDCOM, INC., D/B/A LDDS )  
WORLDCOM V. BELLSOUTH )  
TELECOMMUNICATIONS, INC., D/B/A )  
SOUTH CENTRAL BELL TELEPHONE )  
COMPANY )

O R D E R

Four interexchange carriers filed a joint complaint against the business office methods and procedures adopted by BellSouth Telecommunications, Inc. ( BellSouth ) regarding the implementation of intraLATA presubscription.<sup>1</sup> The complaint was docketed as Case No. 95-396. On January 3, 1996, this proceeding was consolidated with Case No. 95-285, a tariff filing concerning BellSouth s intraLATA 1+ implementation procedures.

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<sup>1</sup> AT&T Communications of the South Central States, Inc., MCI Telecommunications Corporation, Sprint Communications Company, and WorldCom, Inc. d/b/a LDDS WorldCom, dated September 6, 1995.

On August 13, 1996, the Commission issued an Order in the consolidated cases which in part prohibited BellSouth from marketing its intraLATA toll services to a customer initiating service, or to an existing customer who contacted BellSouth for a non-toll related service, unless the subject of toll service was introduced by the customer. On March 12, 1999, BellSouth filed a motion for modification of this provision to allow it to inform customers of the full range of intraLATA toll options available from BellSouth. No parties have objected to the motion.

In support of its motion, BellSouth points to the length of time that intraLATA equal access competition has existed in Kentucky and its loss of market share as a result of this competition. Based on this, BellSouth argues that the Commission has sufficient basis to conclude that the public is adequately aware of the existence of other intraLATA toll carriers providing various toll calling plans. The company claims that to deny BellSouth the opportunity to market its intraLATA toll offerings puts it at a competitive disadvantage with respect to other carriers. BellSouth also references a Federal Communications Commission order in a South Carolina 271 application which found that BellSouth could market the interLATA service of a 271 affiliate upon any customer contact including the initial contact.<sup>2</sup>

Since the Commission's August 13, 1996 Order, significant changes have occurred in both the intraLATA toll market, and the intraexchange market, in Kentucky. Many companies, both large and small, provide intraLATA toll service and

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<sup>2</sup> Memorandum Opinion and Order, Application of BellSouth Corporation, et al., Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services in South Carolina, CC Docket No. 97-208, ¶ 237 (December 24, 1997).

local service. These companies are not subject to similar restrictions. Therefore, the Commission will allow BellSouth to market its intraLATA toll services with three restrictions:

1. BellSouth may not tie the availability of local service to its toll offering.
2. BellSouth must inform customers that they have a choice of carriers including BellSouth.
3. BellSouth must offer to read a random list of intraLATA carriers if the customer requests such information.

Having considered the motion and being otherwise sufficiently advised, the Commission HEREBY ORDERS that the restriction concerning the marketing of intraLATA toll contained in the Commission's Order dated August 13, 1996 is eliminated with the restrictions enumerated herein.

Done at Frankfort, Kentucky, this 12<sup>th</sup> day of July, 1999.

By the Commission

ATTEST:

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Executive Director

