COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION CONCERNING THE PROPRIETY) OF PROVISION OF INTERLATA SERVICES BY) BELLSOUTH TELECOMMUNICATIONS, INC.) PURSUANT TO THE TELECOMMUNICATIONS) ACTION OF 1996)

CASE NO. 96-608

The Commission instituted this case on December 20, 1996 in order to compile a record that will enable it to advise the Federal Communications Commission ("FCC") as to whether BellSouth Telecommunications, Inc. ("BellSouth") should be permitted to enter the in-region, interLATA market in Kentucky pursuant to Section 271 of the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, 47 U.S.C. 151 <u>et</u> <u>seq</u>. In order to receive FCC approval, BellSouth must demonstrate, among other things, that it has complied with the fourteen point competitive checklist at Section 271(c)(2)(B) (the "Competitive Checklist"). During the hearings, conferences, and briefings conducted by this Commission in this docket, it has been amply demonstrated that BellSouth's provision to competing local exchange carriers ("CLECs") of nondiscriminatory access to necessary operating support systems ("OSS") is crucial to BellSouth's application to the FCC. Such access is equally crucial to the development of meaningful local exchange competition in Kentucky.

Various parties to this proceeding have indicated, in testimony as well as in motions and briefs, that third-party testing of BellSouth's OSS should be conducted. The most recent motion on this issue was filed on December 10 by AT&T

Communications of the South Central States. That motion, along with the other comments concerning third-party testing in this jurisdiction is addressed in this Order. Third-party testing would indeed be useful to this Commission, and to the FCC, in any evaluation of BellSouth's OSS. An objective appraisal of competitors' access to, among other things, ordering, pre-ordering and billing information and trouble reporting systems is crucial to several items on the Competitive Checklist. However, the Commission finds that, as BellSouth's OSS are the same throughout its nine-state region, neither economy nor efficiency is served by instituting a third-party testing process in Kentucky at this juncture.

On October 5, 1999, this Commission received from the Florida Public Service Commission (the "Florida Commission") a letter explaining that it has engaged KPMG, LLP to conduct third-party testing of BellSouth's OSS, and that it recognizes that OSS testing in any BellSouth state will have a direct bearing on the other eight. Florida's Web site, www.floridapsc.com, contains information regarding its OSS project. Rather than requiring a duplication of work that is proceeding in Florida, this Commission will monitor the Florida proceeding and will, from time to time, schedule informal conferences with the parties to the Kentucky docket to discuss the progress of the Florida proceeding. A central focus of those conferences will be upon differences, both legal and practical, between Kentucky and Florida that may indicate that certain matters pertaining to OSS sufficiency should be treated differently here.

In order to assist the Commission in monitoring the Florida proceeding, BellSouth should file, with this Commission and in this docket, copies of all documents and information it files with the Florida Commission on and after the date of this Order. In

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addition, BellSouth should file a copy of the agreed upon Master Test Plan and all attachments, including the agreed upon performance metrics. Information should also be filed electronically, if produced in that form. Full service of all documents on all other parties to this case would likely prove extremely burdensome as well as largely duplicative. However, BellSouth shall serve on the other parties notice when it files such documents, and the notice so served shall specifically describe the documents filed.

IT IS THEREFORE ORDERED that:

1. BellSouth shall file with this Commission, with notice to all parties to this docket, copies of all papers and documents filed with the Florida Commission for the purpose of third-party testing of its Operating Support Systems.

2. The first of a series of informal conferences, held for the purposes of discussing the progress of the Florida Commission's proceeding concerning third-party testing of BellSouth's Operating Support Systems, and identifying material differences between Florida and Kentucky that may affect this Commission's appraisal of the applicability of the Florida results to the local exchange market in Kentucky, shall be held at 9 a.m., E.D.T., on April 27, 2000, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 26th day of January, 2000.

By the Commission

ATTEST:

Executive Director