

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILINGS OF GTE SOUTH)	
INCORPORATED TO INTRODUCE)	CASE NO. 2000-262
COLLOCATION SERVICE TO THE)	
FACILITIES FOR INTRASTATE ACCESS)	
TARIFF)	

O R D E R

On April 28, 2000, GTE South Incorporated ("GTE South") filed proposed tariffs which offered collocation services as a part of its Facilities for Intrastate Access Tariff. On May 31, 2000, the Commission suspended the tariff, pursuant to KRS 278.190, for further investigation of the reasonableness of the tariff. On June 12, 2000, the Commission issued an information request. On June 30, 2000, GTE South responded.

GTE South filed its collocation tariff as one of the Federal Communications Commission's ("FCC") requirements of the BellAtlantic/GTE merger agreement. In reviewing the tariff the Commission was concerned that future negotiations regarding collocation, terms and rates could be adversely affected by the existence of a tariff and that the costs of the collocation elements may not be based upon forward-looking costs.

GTE South's responses address both of the Commission's concerns. GTE South asserts that the existence of such a tariff will not preclude the negotiation of collocation rates by special contract when circumstances dictate.

With regard to the development of collocation costs, GTE submitted a cost study based on total element long run incremental cost principles and state-specific information. The cost study includes the description of each cost element. The Commission has reviewed the cost study and is satisfied that the rates reflect the costs of elements on a forward-looking basis.

Therefore, having been sufficiently advised, the Commission HEREBY ORDERS that GTE South's collocation tariff filed April 28, 2000 is approved.

Done at Frankfort, Kentucky, this 31st day of August, 2000.

By the Commission

ATTEST:


Executive Director