

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BELLSOUTH TELECOMMUNICATIONS, INC.'S)	
PROPOSED CHANGES IN PROCEDURES)	CASE NO. 2001-077
FOR FILING CONTRACT SERVICE)	
ARRANGEMENTS AND PROMOTIONS)	

O R D E R

On March 13, 2001, BellSouth Telecommunications, Inc. ("BellSouth") filed a motion with the Commission to modify procedures for filing contract service arrangements ("CSAs"), special assembly contracts ("SACs"), and promotions. Parties to BellSouth's last rate case were notified of the petition, but no one has requested a hearing or intervention.

BellSouth routinely files with the Commission the two types of contracts mentioned above: CSAs for tariffed services with discounted rates to meet competition, and volume and term agreements that provide discounts on a customer's total BellSouth charges; and SACs for services that are not offered by BellSouth in its tariffs. BellSouth also files promotional tariffs that provide an incentive to customers to order certain services. Currently, BellSouth files each contract and promotion with the Commission, whereupon the Commission has 30 days to approve or reject the filing. Since January 1, 2000, BellSouth has filed more than 340 CSAs and SACs.

BellSouth requests that it be permitted to file, quarterly, a summary report of all contracts executed during the immediate past 3-month period. The report would include

customer name, date signed, services provided, and contract rates. BellSouth proposes to file this information on a confidential basis, with cost support information available to the Commission upon request. Although the contracts would already be in effect, the Commission would accept or reject the contracts within a 30-day period immediately following the end of the quarter. If a contract is rejected, the customer would have the option to continue the contract pursuant to terms and conditions approved by the Commission or discontinue service.

With regard to promotional filings, BellSouth proposes to give notice to the Commission 40 days before the promotion is scheduled to begin for those offerings available for resale to CLECs. For promotions that are not available for resale, BellSouth would file notice 30 days before the effective date. At least one day prior to the start of the promotion, BellSouth would file with the Commission the final terms and conditions of the promotion along with revenue and cost information. Thereafter, the Commission would accept or reject the promotion. BellSouth would modify the promotion as directed or withdraw it if it is rejected by the Commission.

BellSouth contends that the proposal provides greater flexibility in filing promotions and contracts and protects it from competitors by keeping information regarding customer information confidential.

Pursuant to review under KRS 278.512 and 278.514, the Commission finds the proposal acceptable with certain modifications. The Commission determines that BellSouth's report of CSAs and SACs should be filed on a monthly basis rather than a quarterly basis. BellSouth currently files 60 to 80 contracts each quarter, and this number is likely to increase. The process will be more manageable if review occurs on

a monthly, rather than quarterly, basis even though more filings will be required. The Commission determines that within 10 days following the end of each month, BellSouth should file a report of all CSAs and SACs, along with summaries of cost information. By the last day of that month the Commission will either accept or reject the contracts.

The Commission rejects BellSouth's proposal to file the contract customer names on a confidential basis. Such information does not meet the threshold requirement under the Kentucky Open Records Act for confidential treatment, for the information for which confidential treatment is sought is not within BellSouth's sole control. See KRS 61.872 - 61.884. The customers contracting with BellSouth are not precluded from disclosing either the fact of the contract's existence or its terms. Accordingly, the Commission finds that the information should not be afforded confidential treatment.

The Commission accepts BellSouth's proposed procedures for the filing of promotions.

Accordingly, IT IS THEREFORE ORDERED that:

1. Within 10 days following the end of each month, BellSouth shall file a report of all CSAs and SACs, including summary cost information, for Commission review.
2. Forty days before the promotion is scheduled to begin, BellSouth shall file with the Commission a notice of promotional offerings available for resale to CLECs. For promotions that are not available for resale, BellSouth shall file notice 30 days before the effective date. At least one day prior to the start of the promotion, BellSouth shall file with the Commission the final terms and conditions of the promotion along with the revenue and cost information.

3. BellSouth shall immediately withdraw or modify in accordance with Commission directive any promotion rejected by the Commission.

Done at Frankfort, Kentucky, this 28th day of September, 2001.

By the Commission

ATTEST:


Executive Director