COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE REVIEW OF BELLSOUTH TELECOMMUNICATIONS,) CASE NO.INC. S PRICE REGULATION PLAN) 2003-00304

<u>ORDER</u>

On August 1, 2003, BellSouth Telecommunications, Inc. (BellSouth) filed its review of the 3-year plan of the transition regulation plan. In this review BellSouth seeks only one change to the structure of the manner in which it is regulated. This one change would allow the plan to exist in perpetuity rather than be reviewed every 3 years. The current tariff states that the term of the plan is a 3 year pilot, and will continue until the Commission approves revisions. ¹ With the 3 year review filing made August 1, 2003, BellSouth filed a proposed tariff revision. The proposed revision indicates that the term of the plan will continue until the Commission approves revisions.

On August 14, 2003, the Commission initiated a proceeding to review BellSouth's price regulation plan and provided an opportunity for interested parties to submit comments on BellSouth's proposed modification to its regulation review within 30 days. Because BellSouth's proposed tariff would become effective September 1, 2003 and because of the policy implications to the proposed tariff, the Commission finds that, pursuant to KRS 278.190, further investigation is needed to determine the reasonableness of the proposed tariff.

¹ A 36 Transition Regulation Plan located at A 36.1.2.A on first revised page one.

IT IS THEREFORE ORDERED that:

1. The proposed tariff filing of BellSouth is suspended for 5 months from September 1, 2003 up to and including January 31, 2004.

2. Nothing contained herein shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

Done at Frankfort, Kentucky, this 25th day of August, 2003.

By the Commission

ATTEST:

Executive Director