

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| INQUIRY INTO THE USE OF CONTRACT SERVICE) | CASE NO. |
| ARRANGEMENTS BY TELECOMMUNICATIONS) | 2002-00456 |
| CARRIERS IN KENTUCKY) | |

O R D E R

The Commission opened this docket on December 19, 2002 to investigate the use of contract service arrangements (“CSAs”) by telecommunications carriers subject to the Commission’s jurisdiction. As noted in that Order, Administrative Regulation 807 KAR 5:011, Section 13 requires every utility to file “true copies of all special contracts entered into governing utility service” unless a deviation pursuant to regulation or an exemption pursuant to statute has been granted.¹ The purpose of this proceeding is to review whether the Commission’s relaxation of these requirements for BellSouth Telecommunications, Inc. (“BellSouth”) in Case No. 2001-00077² has disadvantaged telecommunications customers and carriers who no longer are able to review the full CSAs. In this docket we will also address whether BellSouth and other carriers are providing services under CSAs when they should be providing service at tariffed rates. Standards to limit the use of CSAs and provide objective criteria for pricing services will be determined. Moreover, we will consider whether the existence of competition

¹ Order dated December 19, 2002 at 2.

² Case No. 2001-00077, BellSouth Telecommunications, Inc. Proposed New Procedures for Filing Contract Service Arrangements and Promotions.

should be a factor in determining whether two customers are “similarly situated” so that they are entitled to the same rate.³

All telecommunications carriers providing long-distance service or local service in Kentucky have been required to submit in this proceeding any CSAs not previously filed.

Pursuant to the Commission’s procedural schedule, parties wishing to participate in this proceeding to determine Commission policy regarding CSAs have already pre-filed direct and rebuttal testimony. However, due to the unavailability of BellSouth’s primary witness, the hearing scheduled for June 17, 2003 was postponed. Thereafter, the Commission received requests for an informal conference from Cincinnati Bell Telephone Company, BellSouth, and ALLTEL Kentucky, Inc. and Kentucky ALLTEL, Inc.

IT IS THEREFORE ORDERED that:

1. An informal conference will be held August 11, 2003 at 1:30 p.m., Eastern Daylight Time, in Hearing Room 2 of the Commission’s offices at 211 Sower Boulevard, Frankfort, Kentucky.
2. The public hearing is hereby rescheduled to August 19, 2003 at 9:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission’s offices at 211 Sower Boulevard, Frankfort, Kentucky.

³ December 19, 2002 Order at 3.

Done at Frankfort, Kentucky, this 8th day of July, 2003.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. Dixon", written over a horizontal line.

Executive Director