

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

O R D E R

By Order dated December 19, 2002, the Commission initiated this investigation into the current practices and policies of Kentucky's telecommunications carriers' contract service arrangements ("CSA"). Attached to the Order was a request for certain documents and information. On January 8, 2003, BellSouth Telecommunications, Inc. ("BellSouth") filed a motion for reconsideration and a motion for extension of time to respond to the data requests.

In its motion, BellSouth asked that it be permitted to produce the CSAs requested in a CD-ROM format. It also asked that it be allowed to provide a 10 percent sample, rather than all, of the contracts into which it has entered during 2001 and 2002. In addition, BellSouth asked for an extension of 45 days to provide responses to the data requests.

On January 21, 2003, Computer Innovations filed a response to BellSouth's motion. Computer Innovations indicated that it has no objection to the filing of the contracts in CD-ROM format provided that they are easy to access and interpret. Computer Innovations indicated that the contracts should be filed as they were originally written and signed and should contain all pages. Moreover, Computer Innovations indicated that BellSouth's proposed random 10 percent sample would not necessarily

be statistically representative of all of its contracts. Such sample, according to Computer Innovations, would not determine whether CSAs had been fairly and equitably executed and would not show the potential disparity between high and low ends of BellSouth's contract price ranges.

On January 22, 2003, AT&T Communications of the South Central States, Inc. ("AT&T") filed a response to BellSouth's motion. AT&T opposes permitting BellSouth or any party to file a random sample of CSAs. The random sample may, according to AT&T, omit significant information concerning the variety and terms of BellSouth's CSAs and may not be sufficient to show price disparities between customers receiving the same services. As an alternative, AT&T suggests that BellSouth and other parties submit all CSAs entered into during the last 12 months. AT&T indicates that it does not oppose BellSouth's motion for additional time, but suggests that a shorter extension may be appropriate depending on other changes made by the Commission.

Lastly, AT&T indicates that because it believes the focus of the investigation is for local exchange carriers, it will not file its contracts for long-distance service unless otherwise directed. In response to AT&T's stated intention, the Commission hereby clarifies its Order to reflect that AT&T and other telecommunications carriers that provide long-distance service or local service in Kentucky must submit all contracts in this docket. The purpose of this proceeding is to investigate all service arrangements provided by Kentucky carriers at other than tariffed rates. The Commission hereby grants BellSouth's request to submit its data responses in CD-ROM format. All other parties shall submit their responses in CD-ROM format as well. Parties shall comply

with the following two sections from the electronic filing guide available on the Commission's Website for all filings in this proceeding.

Document format:

Filed documents should consist of the two following file formats: "Adobe Acrobat portable document format (PDF)" for all text documents, and Microsoft® Excel 97 format (XLS) for all exhibits, supporting schedules and appendices requiring spreadsheet functionality. In addition to their native format, each spreadsheet should be submitted in "PDF" format for shared, "read only" access. Excel spreadsheets must be self-contained and not contain any linked references or macro commands involving external files.

All "PDF" files should be searchable. This can be accomplished by one of the two following methods: Installation of "Adobe Acrobat" software enables Microsoft® Word or WordPerfect documents to be "printed" to "PDF" format, creating a searchable output document. As an alternative, scanned documents may be converted to searchable "PDF" by processing the scanned images through "Adobe Acrobat" software, which converts the image contents to a searchable "PDF" formatted document.

Parties should include "bookmarks" at significant locations within "PDF" documents. Responses to requests for production of documents, interrogatories, or information requests, would be particularly appropriate for utilization of the "bookmarking" feature. Creation of "bookmarks" is a feature of the Adobe Acrobat software.

Document Naming Conventions:

The following document naming conventions should be followed. Proposed deviations from these conventions should be brought to the attention of the Commission Staff for consideration.

The following naming conventions have been identified and approved thus far and should generally consist of the following parts:

1. Nature of the document.
(Example: R_PSCDR1 = Reply to PSC Data Request #1)
2. If testimony, Initials of testifier.
(Example: DT_cdb = Direct testimony of Coleman D. Bush).
3. If an exhibit, schedule or appendix to testimony, Identify as "EX1", "SCH1" or "APXA".
(Example: DT_cdb_APXa = Appendix A to Direct Testimony of Coleman D. Bush).
4. Date which document was filed, formatted as mm/dd/yy.
(Example: 042100 = April 21, 2000).
5. Document name extension denoting document format.
Should be ".pdf" in most cases, except for spreadsheet attachments which may be ".xls".
("PDF" denotes Adobe Acrobat format, "XLS" denotes Microsoft® Excel spreadsheet.)
6. MAP_ElectTrans_041402.pdf – "Classified" map of electric transmission facility.
(See section titled "Filing Classified Documents" for a detailed discussion of filing documents which could have an impact on infrastructure or national security.)

Document names must contain a prefix identifying the filing utility or organization.

The Commission also directs that each party named in Appendix A of the December 19, 2002 Order shall submit contact information including names, e-mail addresses, phone numbers, and addresses for each of its representatives participating in this proceeding.¹

¹ Parties should also indicate whether such contact person is expected to perform the same functions in future proceedings.

The Commission finds that BellSouth's request for an extension of time to respond to the data requests is reasonable. Accordingly, the schedule attached hereto as an Appendix shall be in effect for all parties.

The Commission denies in part and grants in part BellSouth's motion that the Commission accept a random 10 percent sample, rather than all, of the CSAs requested. Policies and practices regarding the use of CSAs cannot be fully reviewed unless all CSAs entered into during 2001 and 2002 are submitted.

However, the Commission grants BellSouth's request for use of a random 10 percent sample for those items specified in Request 1(h) through 1(k). Statistical sampling may be used by those parties entering into 400 or more CSAs for the provision of service in Kentucky in 2001 and 2002. The sample shall be randomly conducted based upon conventional sampling techniques to ensure that all different types of CSAs are proportionately examined and that the sample is statistically representative.

In addition to those items required by Request 1(a) through (g) in the December 19, 2002 Order, the Commission also modifies the December 19 Order to require respondents to state, in response to Request 1(a), the customer's name and address. Moreover, Request 1(e) shall be supplemented to clarify that the "unique conditions" concerning the CSAs in question include, but are not limited to, whether the contract was in response to localized competition, whether the item was not tariffed, or whether there were investment differences in the provision and installation of the service.

Accordingly, the Commission, having been sufficiently advised, HEREBY ORDERS that:

1. BellSouth's motion is granted to the extent that it and other parties shall submit data responses and all other filings in this proceeding in CD ROM format as specified herein.

2. Each party named in Appendix A of the December 19, 2002 Order shall submit contact information on all persons participating in this proceeding as specified herein.

3. BellSouth's motion for an extension of time is granted.

4. The procedural schedule attached hereto shall be in effect for all parties.

5. BellSouth's motion for the use of a random 10 percent sample is granted only in regard to those items required by Request 1(h) through (k). Other carriers having 400 or more contracts in 2001 and 2002 may also use a random 10 percent sample.

6. BellSouth's motion for the use of a random 10 percent sample is denied for those items required by Request 1(a) through (g).

7. Request 1(a) is hereby modified to require customer names and customer addresses.

8. Request 1(e) is hereby supplemented and clarified as specified herein.

9. AT&T and all other telecommunications carriers providing long-distance service or local service in Kentucky shall submit their CSAs as described in the December 19, 2002 Order and herein.

Done at Frankfort, Kentucky, this 28th day of January, 2003.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. (T) [unclear]", written over a horizontal line.

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2002-00456 DATED January 28, 2003

PROCEDURAL SCHEDULE

Responses to the information requested in Appendix C
of the Commission's December 19, 2002 Order
are due no later than.....03/24/03

Parties shall submit data requests to other parties no later than.....04/03/03

Responses to parties' data requests are
due no later than.....04/15/03

Parties shall submit prefiled testimony and a list of
witnesses and their qualifications no later than.....04/30/03

Parties shall submit prefiled rebuttal testimony
no later than.....05/21/03

Public Hearing shall begin at 9:00 a.m., Eastern Daylight Time,
at the Commission's offices at 211 Sower Boulevard,
Frankfort, Kentucky06/17/03