BEFORE THE TENNESSEE PUBLIC SERVICE COMMISSION NASHVILLE, TENNESSEE

May 17, 1996

IN RE:

Show Cause Proceeding Against Certified Inter-Exchange
Carriers (Allnet Communications Service, Inc., AT&T
Communications of the South Central States, Inc., LDDS WorldCom,
MCI Telecommunications Corp., Sprint Communications Co., and
Wiltel, Inc.) To Provide Toll Free, County-Wide Calling.

DOCKET NO. 96-00918

ORDER

This matter is before the Commission on its own motion pursuant to T.C.A § 65-2-106 and T.C.A § 65-21-114.

T.C.A. § 65-21-114 became effective on September 1, 1995, and provided for tollfree telephone service within counties. The exact terms of the statute read as follows:

- (a) After January 1, 1996, any telephone call made between two (2) points in the same county in Tennessee shall be classified as toll-free and shall not be billed to any customer.
- (b) This section shall apply to all companies or entities providing telephone service in this state as public utilities, including, but not limited to, telephone companies regulated by the Tennessee public service commission. However, this section does not apply to any telephone company which is prohibited by federal law from providing countywide service in a particular county.
- (c) Nothing in this section is intended to modify or repeal the rate-making and telephone regulatory authority of the Tennessee public service commission or the right of telephone companies to earn a fair rate of return.

There are twelve Tennessee counties whose residents do not have access to toll-free countywide calling. The Consumer Services Division of the Tennessee Public Service Commission, has received thirty-eight (38) consumer complaints since September 1, 1995.

The Division has determined that these complaints were made by consumers who

complained that they were charged for interLATA, intracounty calls completed by the consumer's individual Interexchange Carrier ("IXC's").

Moreover, the Commission recognizes that these complaining consumers share economic and social interests with other consumers in the same county and, therefore, that all consumers served by an IXC regulated by the Commission, should be able to make toll-free calls to other consumers who live in the same county.

Therefore, the Commission directs that all Interexchange Carriers operating in the state of Tennessee who provide interstate service to customers located within the following twelve counties: Claiborne, Cumberland, Greene, Hawkins, Marion, Meigs, Montgomery, Polk, Roane, McNairy, Obion, and Weakley, appear and show cause why they should not be penalized pursuant to T.C.A. § 65-4-120, for failure to comply with the provisions of T.C.A. § 65-21-114.

The Carriers are directed to respond within thirty (30) days of the date of this Order. This docket shall remain open for further proceedings as may be necessary.

It is so ordered.

Commissioner

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Chairman

Executive Director