

the Commission's Report and Order in TO-99-254 et al. and with the revenue neutrality calculations KLM filed in that case. SWBT did not request any specific relief.

On September 2, KLM filed a response to SWBT's comments. KLM continues to labor under the misconception that the Commission's Report and Order in KLM's intraLATA dialing parity plan case (Case No. TO-99-511) permitted a different kind of revenue neutrality mechanism than that authorized in the Report and Order in Case No. TO-99-254. The Commission has attempted to address KLM's misunderstanding in several orders concerning clarification and rehearing. It will suffice here to simply state that the revenue neutrality mechanism that KLM proposes does not comport with the Reports and Orders in either Case No. TO-99-254 or Case No. TO-99-511.

KLM agrees with SWBT that the access rates in its tariff differ from those that would have resulted from the revenue neutrality calculations it submitted in Case No. TO-99-254. However, KLM states that the access rates recover less revenue than those calculations showed it would lose. The Commission agrees with KLM that recovering less than the amount it estimated it would lose is within its prerogative. KLM also notes that the Commission has approved tariffs for other companies containing the same language that appears in KLM's tariff.

On September 9, the Commission Staff filed a Memorandum in which it recognizes that the language in KLM's tariff may conflict with the Report

and Order in TO-99-254, and recommends that the Commission suspend the tariff.

Simply because the Commission's Staff did not note in its memoranda on other tariff filings, and the Commission itself was not aware, that the tariffs of three other companies conflicted with the Report and Order in Case No. TO-99-254 is no reason to perpetuate the error with KLM's tariff. KLM's tariff contains a mechanism to achieve revenue neutrality that does not comply with the Reports and Orders in Case Nos. TO-99-254 and TO-99-511, and the Commission will reject that tariff.

IT IS THEREFORE ORDERED:

1. That the tariff filed by KLM Telephone Company on August 16, 1999, and assigned Tariff File No. 200000128 is rejected.
2. That this order shall become effective on September 16, 1999.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Murray,
and Drainer, CC., concur
Schemenauer, C., absent

Mills, Deputy Chief Regulatory Law Judge

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION