

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE SALE AND DETARIFFING OF)	ADMINISTRATIVE
EMBEDDED CUSTOMER PREMISES)	CASE NO. 269
EQUIPMENT)	

O R D E R

On October 4, 1984, the Commission issued a Draft Order in this proceeding which included two basic options for the sale and detariffing of non-mobile embedded Customer Premises Equipment ("CPE") and solicited comments on the options in the Draft Order from the telephone utilities under its jurisdiction. In comments to the Commission on the Draft Order several telephone utilities presented a third option proposing variations of a "flash-cut" approach to detariffing the embedded CPE.

On May 1, 1985, General Telephone Company of Kentucky ("General") filed additional comments in this case. General stated that the options presented in the Draft Order would not allow it full capital recovery and requested a special extension of the amortization/surcharge period through December 31, 1990, 3 years beyond the ordinary detariffing period established by the Federal Communications Commission.

To more completely evaluate the companies' comments to the proposals in its Draft Order, the flash-cut proposal made by several companies and General's special request to extend the amortization/surcharge period an additional 3 years, the

Commission, on its own motion, is hereby scheduling a hearing to be held at its offices in Frankfort, Kentucky, on June 27, 1985, at 9:00 a.m., Eastern Daylight Time. The Commission hereby requires General to prefile testimony by June 17, 1985, and be present for cross-examination at the hearing on its proposal to extend the amortization/surcharge period. The Commission further encourages the other telephone utilities who wish to present additional evidence or comment on the Draft Order, or those utilities that presented the flash-cut detariffing option, to submit prefiled testimony by June 17, 1985.

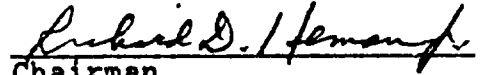
IT IS THEREFORE ORDERED that a hearing on this matter is hereby scheduled on June 27, 1985, in the Commission's offices in Frankfort, Kentucky at 9:00 a.m., Eastern Daylight Time.

IT IS FURTHER ORDERED that General is required to provide prefiled testimony on June 17, 1985, and appear June 27, 1985, and be subject to cross-examination on its proposal to extend the amortization/surcharge period to December 31, 1990.

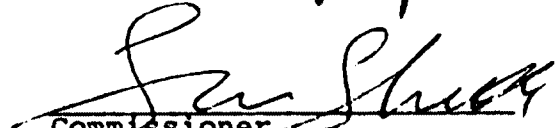
IT IS FURTHER ORDERED that any other utility wishing to present additional evidence or further comment shall file prepared testimony on or before June 17, 1985.

Done at Frankfort, Kentucky, this 4th day of June, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary