COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL ADJUSTMENT OF RATES OF)GENERAL TELEPHONE COMPANY OF THE)CASE NO. 9678SOUTH)

ORDER

In its response to Item 9 of the information requests from the hearing of February 18 and 19, 1987, General Telephone Company of the South ("General") stated that the preliminary report on the impact of FASB 87 will be provided as soon as it becomes available. The Commission must have this information supplied in a timely manner in order to process the case at hand and bring it to a conclusion by the end of the suspension period. FASB 87 was issued in December 1985 and has been available for review and analysis by GTE Service Corporation since that time. It is imperative that this information be provided no later than 10 days from the date of this Order.

Also deficient were the responses to Items 5 and 20. In addition to the comparison of retention ratios between states served by General, the response to Item 5 should also have included retention ratios for all GTE telephone companies.

The response to Item 20, the 1986 earnings of the GTE Directories Company, was not filed although General's witnesses had said it would be available by early March. This information should be filed as soon as possible.

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Each of these responses is necessary in order for the Commission to issue a decision in this case in a timely manner; however, the report on FASB 87 is of the utmost urgency.

IT IS THEREFORE ORDERED that:

1. The preliminary report on the impact of FASB 87 shall be filed with the Commission within 10 days of the date of this Order.

2. The complete responses to Items 5 and 20 of the hearing information requests should be filed with the Commission within 20 days of the date of this Order.

Done at Frankfort, Kentucky, this 11th day of March, 1987.

PUBLIC SERVICE COMMISSION

Richard D. Harmit

ATTEST:

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Executive Director