COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AT&T COMMUNICATIONS OF THE SOUTH CENRAL STATES, INC.) COMPLAINANT)) CASE NO. 9703 vs.)) THE INDEPENDENT TELEPHONE) COMPANY, INC.) DEFENDANT)

ORDER

On October 1, 1986, AT&T Communications of the South Central States, Inc., ("AT&T") filed a complaint against Independent Telephone Company, Inc. ("Independent"). An answer and counterclaim was filed on October 21, 1986. AT&T subsequently filed an answer to the counterclaim on November 17, 1986. That answer sought in part a dismissal of the counterclaim because the Commission does not have "...the power or authority to award damages..." After reviewing the record, the Commission finds that the portion of Independent's counterclaim seeking damages from AT&T should be dismissed, because Chapter 278 of the Kentucky Revised Statutes does not give the Commission the authority to award the relief sought.

IT IS THEREFORE ORDERED that paragraph 7(b) of the counterclaim which seeks compensatory and punitive damages is dismissed. The other issues raised in the answer and counterclaim will be subjects of the March 31, 1987, hearing. Done at Frankfort, Kentucky, this 13th day of March, 1987.

PUBLIC SERVICE COMMISSION

Chairman Chairman Vice Chairman

William } missioner

ATTEST:

Executive Director