

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF INTERNATIONAL TELECHARGE,)
INC., FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO OPERATE AS A) CASE NO. 10002
RESELLER OF TELECOMMUNICATION SERVICES)
WITHIN THE STATE OF KENTUCKY)

ORDER TO CEASE AND DESIST

International Telecharge, Inc., ("ITI") has pending before this Commission an application for authority to provide operator-assisted telephone service within Kentucky. ITI currently has no authority to offer such service within this State.

The Commission has recently become aware that ITI is providing service within Kentucky. Complaints from Kentucky ratepayers, as well as Commission investigation, indicate that ITI is completing interLATA, intraLATA, and local telephone calls. ITI has applied unapproved operator service charges and toll charges to such calls. In some cases, it appears that toll charges have been applied to local calls. ITI is using the billing and collection services of at least three Kentucky local exchange telephone companies, in order to collect the unauthorized charges.

This Commission is convinced that ITI is offering service throughout Kentucky, in a manner which is inconsistent with statutory requirements contained within KRS Chapter 278.

The Commission makes the following FINDINGS:

1. ITI is a utility within the meaning of KRS 278.010(3)(e);
2. This Commission has exclusive jurisdiction over the rates and services of ITI within the state of Kentucky;
3. ITI has not been granted operating authority by this Commission;
4. ITI's rates and conditions for service have not been found reasonable by this Commission, have not been accepted by and are therefore not filed with this Commission, as required by KRS 278.160;
5. ITI should demonstrate to the Commission how its operation within Kentucky is not a willful violation of KRS 278.160(2); and
6. All Kentucky local exchange telephone companies providing billing and collection services should be notified of the provisions of this Order.

IT IS THEREFORE ORDERED that:

1. ITI cease and desist from offering any telephone service within Kentucky, until such time as this Order is modified or revoked by the Commission, and/or ITI's tariffs are approved;
2. ITI cease and desist from charging, demanding, collecting or receiving compensation for telephone service provided within Kentucky. This includes any attempt to use the billing and collection service of any Kentucky telephone utility, for the collection of any charges applied to calls made within Kentucky;

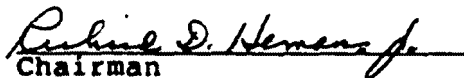
3. ITI produce and deliver to this Commission, records showing every intrastate call within Kentucky accepted, completed and rated by ITI;

4. At the hearing scheduled for February 10, 1988, ITI show cause why it should not be fined pursuant to KRS 278.990, for violating provisions of KRS Chapter 278, including KRS 278.160; and

5. All telephone companies providing billing and collection services within Kentucky be served with this Order.

Done at Frankfort, Kentucky, this 22nd day of January, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director