COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION INTO ALLEGED UNAUTHORIZED ACTIVITIES OF ALLNET COMMUNICATIONS SERVICES, INC.)))) CASE NO. 90-429
ALLEGED VIOLATIONS OF KRS CHAPTER 278)

ORDER

By Order dated January 4, 1991, the Commission initiated this investigation to determine if Allnet Communications Services, Inc. ("Allnet") had been providing or seeking to provide unauthorized rates and services in violation of KRS 278.160 by offering telecommunications services not approved by the Commission.

specifically, the Commission is aware of a service agreement under which Allnet proposed to offer telecommunications services to National Communications Network ("NCN") for resale and to provide operator services to NCN customers approved by Allnet.

NCN currently has an application for certification pending before the Commission. Based upon this information, the Commission ordered Allnet to cease and desist the provision of untariffed service, and to show cause why it should not be fined pursuant to

Case No. 90-099, The Application of NCN Communications, Inc. As a Reseller of Telecommunications Services Within the Commonwealth of Kentucky.

KRS 278.990, and ordered to refund all unauthorized rates and charges collected.

On January 30, 1991, Allnet filed its responses to the Order to Show Cause. In the response, Allnet denied the allegations in the January 4, 1991 Order. A thorough review by Allnet of its records did not reveal any business records or other information indicating that it had provided any intrastate service to NCN. Additionally, Allnet has affirmed that it has had a "block" in its order entry system dating to the beginning of the submission of orders from other jurisdictions to Allnet from NCN. The block prevents any Kentucky resident from presubscribing a Kentucky telephone line to Allnet for resale by NCN. Finally, Allnet states that it will provide intrastate resale of its services by NCN only when NCN obtains the proper Commission authority and the services that NCN will resell will be available only through Allnet's intrastate tariff.

The Commission finds that the record in this case is sufficient to determine that Allnet did not violate KRS 278.160 and therefore should not be fined under KRS 278.990.

IT IS THEREFORE ORDERED that this case is dismissed.

Done at Frankfort, Kentucky, this 13th day of March, 1991.

PUBLIC SERVICE COMMISSION

Chairman

CO CHAIRMAN

Din Hands

ATTEST:

Executive Director