

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CTG TELECOMMUNICATIONS, INC.)	
_____)	
ALLEGED VIOLATION OF KRS 278.020)	CASE NO.
AND KRS 278.160)	92-042
)	

O R D E R

On August 9, 1991, CTG Telecommunications, Inc. ("CTG") submitted an application for a Certificate of Public Convenience and Necessity to operate as a reseller of telecommunications services within the state of Kentucky.¹ On October 3, 1991, the Commission ordered CTG to submit additional information. CTG filed its response on November 20, 1991.

In the Commission's request for additional information, CTG was asked, inter alia, whether or not it or any of its affiliates had ever provided and/or collected any money from the public for the provision of intrastate telecommunications services in Kentucky and, if so, to explain in detail. CTG responded affirmatively and admitted that in May 1991 it had discovered

¹ Case No. 91-286, The Application of CTG Telecommunications, Inc. for a Certificate of Public Convenience and Necessity as a Reseller of Telecommunications Services Within the State of Kentucky.

telecommunications traffic originating and terminating within the state of Kentucky. CTG offered, as Exhibit 1 to its response, billing information revealing that since January 1, 1991, it had received revenues from Kentucky based traffic totaling \$2,085.84. A copy of CTG's response to Item 1 of said information request is attached hereto as Exhibit 1.

Accordingly, the Commission finds a prima facie showing has been made that CTG failed to file with the Commission its application for approval to operate and its schedule of rates and conditions of service prior to collecting compensation for the provision of utility service in violation of KRS 278.020 and KRS 278.160. Therefore, CTG should immediately cease and desist the provision of, and charge for, any and all telecommunications services within the Commonwealth of Kentucky.

IT IS THEREFORE ORDERED that:

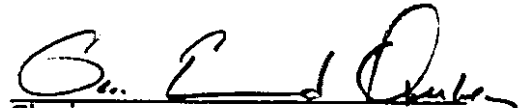
1. CTG shall immediately cease and desist from providing and charging for of any and all telecommunications services within the Commonwealth of Kentucky.

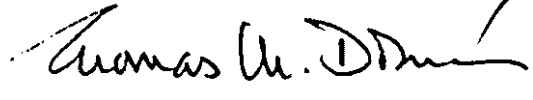
2. CTG shall appear at a hearing scheduled for February 26, 1992, at 10:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, to present evidence on the alleged violation of KRS 278.020 and 278.160, and to be prepared to show cause why CTG should not be penalized under KRS 278.990 and should not be required to make refunds of compensation collected prior to filing its schedule of rates and conditions of service, if such violation is found to have occurred.

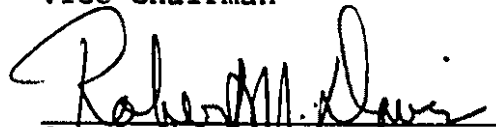
3. CTG shall file within 10 days from the date of this Order all documents pertaining to its provision of service in Kentucky including, but not limited to, rates and conditions of service, promotional sales material, customer applications, a list of customers with addresses, and billing and collection records.

Done at Frankfort, Kentucky, this 31st day of January, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

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PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF CTG TELECOMMUNICATIONS,)
INC. FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY AS A)
RESELLER OF TELECOMMUNICATIONS)
SERVICES WITHIN THE STATE OF KENTUCKY)

CASE NO. 91-286

* * * * *

RESPONSE TO ORDER

* * * * *

CTG Telecommunications, Inc. ("CTG"), by counsel, hereby responds to the Commission's Order dated October 3, 1991. G. Kelley Allen, Operations, is the witness responsible for the following CTG responses. Each of the Commission's data requests is set forth followed by CTG's response.

1. Has CTG or any of its affiliates ever provided and/or collected any money from the public for the provision of intrastate telecommunications services in Kentucky? If so, explain in detail.

A. Yes. In May of this year CTG discovered that it had traffic originating and terminating within Kentucky. CTG immediately contacted the Secretary of State to qualify to transact business and the Commission to determine the regulatory requirements for switchless resellers. CTG received information from the Commission in late June and filed its application with the Commission on August 9, 1991. CTG's Kentucky customers represent approximately two hundred dollars (\$200) a month in revenue.

Attached as Exhibit 1 are the actual revenues that CTG has billed for Kentucky intrastate interlata telephone calls. CTG has not provided intralata service.

2. If CTG intends to resell tariffed services of facilities-based carriers, identify these tariffed services and specify whether these services will be obtained from intrastate or interstate tariffs.

A. CTG intends to resell the services of AT&T, MCI and US Sprint. The services to be resold are SDN for AT&T, V-Net and 800 for MCI and VPN and 800 for US Sprint. It is our understanding that each carrier has properly filed tariffs with the Commission regarding such product to be resold by CTG. CTG has filed intrastate tariffs with the Commission. These services are more fully presented in Exhibit C of the application.

3. If CTG intends to resell services that are not available under an approved tariff, provide copies of the contracts which govern the terms of the agreement between CTG and its facilities-based carriers.

A. Not applicable.

4. Clarify whether or not CTG is seeking intraLATA operating authority.

A. CTG is not seeking intraLATA authority.

5. Explain how CTG will screen intraLATA traffic if CTG intends to resell services or facilities authorized only for interLATA traffic but which can carry intraLATA traffic.