

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

O R D E R

On January 31, 1992, CTG Telecommunications, Inc. ("CTG Telecommunications") was ordered to show cause why it should not be penalized pursuant to KRS 278.990 for its alleged failure to comply with KRS 278.020 and KRS 278.160.

Following the commencement of this proceeding, CTG Telecommunications and Commission Staff entered into negotiations to resolve all disputed issues. On March 26, 1992, a Settlement Agreement was executed and submitted to the Commission for approval.

After reviewing the Settlement Agreement and being otherwise sufficiently advised, the Commission finds that the Settlement Agreement is in accordance with the law, does not violate any regulatory principle, results in a reasonable resolution of this case, and is in the public interest.

IT IS THEREFORE ORDERED that:


1. The Settlement Agreement, appended hereto, is incorporated into this Order as if fully set forth herein.

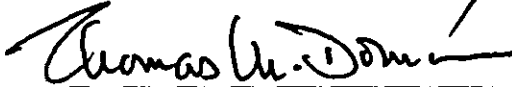
2. The terms and conditions set forth in the Settlement Agreement are adopted and approved.

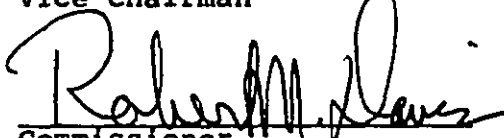
3. CTG Telecommunications shall pay the agreed penalty within 10 days of the date of this Order by certified check or money order made payable to Treasurer, Commonwealth of Kentucky. Said check or money order shall be mailed or delivered to the Office of General Counsel, Public Service Commission, 730 Schenkel Lane, P. O. Box 615, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 3rd day of April, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-042 DATED April 3, 1992

RECEIVED

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

Feb 26 12 39 PM '92

IN THE MATTER OF:

PUBLIC SERVICE
COMMISSION

CTG TELECOMMUNICATIONS, INC.)

ALLEGED VIOLATION OF KRS 278.020)
AND KRS 278.160)

CASE NO. 92-042

* * * * *

SETTLEMENT AGREEMENT

* * * * *

WHEREAS, on January 31, 1992, the Commission issued an Order requiring CTG Telecommunications, Inc. ("CTG Telecommunications") to appear before the Commission on February 26, 1992 to show cause why it should not be penalized for providing service prior to receiving a certificate of convenience and necessity in violation of KRS 278.020 and 278.160.

WHEREAS, on February 12, 1992, CTG Telecommunications requested that the Commission cancel the hearing and establish an informal conference to allow CTG Telecommunications to propose a settlement of the issues.

WHEREAS, on February 26, 1992, at 10:00 a.m., CTG Telecommunications, represented by counsel, met with Staff in an informal conference to discuss the proposal for resolution of this matter.

WHEREAS, CTG Telecommunications and Staff have reached an agreement on the resolution of the issues. CTG Telecommunications

agrees to pay a penalty of \$100.00 and to make refunds or credits to all customers in accordance with paragraphs 2 and 3 of this Agreement.

NOW, THEREFORE, be it resolved that:

1. CTG Telecommunications shall pay a penalty in the amount of \$100.00 to be paid in full within 10 days of an Order approving this Settlement Agreement. A certified check for the full amount of the penalty shall be made payable to the Kentucky State Treasurer and delivered to the Office of General Counsel of the Commission, 730 Schenkel Lane, Frankfort, Kentucky 40601.

2. CTG Telecommunications shall commence making refund payments or credits upon issuance of a final order by the Commission to all customers for all charges billed by CTG Telecommunications for intrastate telecommunications service from January 1, 1991 until such time as CTG Telecommunications is authorized to provide intrastate services. Within six (6) months of commencing to make refund payments or credits, CTG Telecommunications shall have completed the crediting and refunding.

3. Within 30 days from the date CTG Telecommunications refunds its customers, CTG Telecommunications shall provide a list to the Commission of the names, addresses, amounts paid, and method of payment for customers entitled to and receiving a refund or credit. Thereafter, CTG Telecommunications shall provide monthly reports to the Commission in performing its obligations under this Settlement Agreement.

4. This Settlement Agreement is submitted for purposes of this case only and is not deemed binding upon the parties hereto in any other proceeding, nor is it to be offered or relied upon in any other proceeding involving any other utility.

5. If the Commission issues an order adopting this Settlement Agreement in its entirety, CTG Telecommunications agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to Franklin Circuit Court from such order.

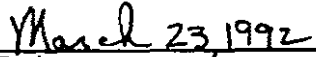
6. If the Settlement Agreement is not adopted in its entirety, CTG Telecommunications reserves the right to withdraw from it and require that hearings go forward upon all or any matters involved herein, and that in such event that terms of the agreement shall not be deemed binding upon the signatories hereto, nor shall such agreement be admitted into evidence or referred to or relied on in any matter by any signatory hereto.

7. All the parties hereto agree that the foregoing Settlement Agreement is reasonable and in the best interest of all concerned, and urge that this Commission adopt this agreement in its entirety.


AGREED TO BY:



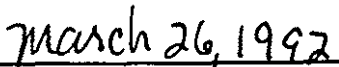
Hon. James G. Campbell on
behalf of CTG Telecommunications



Date



Hon. Amy E. Dougherty on
behalf of Commission Staff



Date