

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PHOENIX NETWORK, INC.	)	
	)	
<hr style="width:30%; margin-left:0"/>	)	CASE NO.
ALLEGED VIOLATION OF KRS 278.020	)	92-172
AND KRS 278.160	)	

O R D E R

On April 24, 1992, Phoenix Network, Inc. ("Phoenix") 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, Phoenix and Commission Staff entered into negotiations to resolve all disputed issues. On July 2, 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:

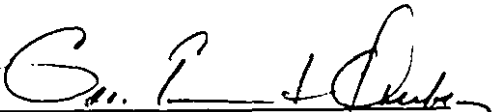
1. The Settlement Agreement, appended hereto, is incorporated into this Order as if fully set forth herein.

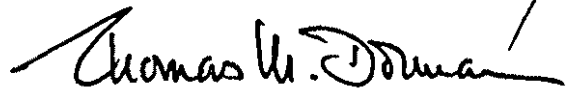
2. The terms and conditions set forth in the Settlement Agreement are adopted and approved.

3. Phoenix shall pay \$100 as a 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 22nd day of July, 1992.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director, Acting

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 92-172 DATED JULY 22, 1992

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

PHOENIX NETWORK, INC. )

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)

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CASE NO. 92-172

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\_\_\_\_\_  
ALLEGED VIOLATION OF  
KRS 278.020 AND KRS 278.160 )

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SETTLEMENT AGREEMENT

\* \* \* \* \*

WHEREAS, on April 24, 1992, the Public Service Commission (the "Commission") issued an Order requiring Phoenix Network, Inc. ("Phoenix Network") to appear before the Commission on May 27, 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 or about May 7, 1992, Phoenix Network orally requested that the Commission cancel the hearing and provide Phoenix Network the opportunity to propose a settlement of the issues.

WHEREAS, Phoenix Network and Commission staff (the "Commission Staff") have reached an agreement on the resolution of the issues.

NOW THEREFORE, be it resolved that:

1. By signing this Settlement Agreement, Phoenix Network admits no willful violation of KRS 278.020 and KRS 278.160. Phoenix Network agrees that this Agreement represents the most judicious method by which to resolve this case and agrees to take the steps outlined herein.

2. Phoenix Network shall pay a penalty in the amount of \$100.00. 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, Public Service Commission, 730 Schenkel Lane, Frankfort, Kentucky 40601 within ten (10) working days of the Commission's Order approving this Settlement Agreement (the "Order").

3. Phoenix Network shall begin making refund payments or credits upon issuance of the Order to all customers for all charges billed by Phoenix Network for intrastate telecommunications service from January 1, 1991 until such time as Phoenix Network is authorized to provide intrastate services. Within nine (9) months of commencing to make refund payments or credits, Phoenix Network shall have completed the crediting and refunding.

4. Within thirty (30) days from the date of the Order, Phoenix Network shall provide a list of the names and addresses of customers entitled to receive a refund or credit pursuant to this Agreement to the Commission. Phoenix Network shall indicate the manner and time of repayment, either by refund or credit. Credit against future services provided by Phoenix Network when authorized to provide intrastate services is an appropriate remedy under this Agreement. Thereafter, Phoenix Network shall provide monthly reports to the Commission in performing its obligations under this Settlement Agreement.

5. 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.

6. If the Commission issues the Order adopting this Settlement Agreement in its entirety, Phoenix Network agrees that it shall not file an application for rehearing with the Commission nor an appeal to the Franklin Circuit Court from the Order.

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

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

**AGREED TO BY:**

*Marie Alagia Cull*  
Marie Alagia Cull on behalf  
of Phoenix Network, Inc.

*7-1-92*  
Date

*Amy E. Dougherty*  
Amy E. Dougherty on behalf  
of Commission Staff

*7-2-92*  
Date