COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

TELENATIONAL COMMUNICATIONS LIMITED PARTNERSHIP

CASE NO. 92-173

ALLEGED VIOLATION OF KRS 278.020 AND KRS 278.160

ORDER

On April 24, 1992, Telenational Communications Limited Partnership ("Telenational") 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, Telenational and Commission Staff entered into negotiations to resolve all disputed issues. On May 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. Telenational 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 27th day of May, 1992.

PUBLIC SERVICE COMMISSION

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Chairman

Commissioner

ATTEST:

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APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-173 DATED 5/27/92

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

TELENATIONAL COMMUNICATIONS LIMITED PARTNERSHIP

CASE NO. 92-173

ALLEGED VIOLATION OF KRS 278.020 AND KRS 278.160

SETTLEMENT AGREEMENT

WHEREAS, on April 24, 1992, the Commission issued an Order requiring Telenational Communications Limited Partnership ("Telenational") to appear before the Commission on May 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 April 29, 1992, Telenational contacted Commission Staff requesting the Commission cancel the informal conference and the hearing to allow Telenational and Staff to propose a settlement of the issues.

WHEREAS, Telenational and Staff have reached an agreement on the resolution of the issues. Telenational agrees to pay a penalty of \$100.00 and to make refunds or credits to the one business customer and one residential customer in accordance with paragraphs 2 and 3 of this Agreement.

NOW, THEREFORE, BE IT RESOLVED THAT:

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

3. Within 30 days from the date Telenational refunds its two customers, Telenational 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, Telenational 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, Telenational agrees that it

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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, Telenational 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 is entirety.

AGREED TO BY:

Hon. George O. Rebensdorf on behalf of Telenational

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of Commission Staff