

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE FAILURE OF DIGITAL NETWORK SERVICES, INC.) CASE No.
TO FILE GROSS REVENUE REPORT) 98-459

O R D E R

KRS 278.230(3) directs every utility, when required by the Commission, to file with it any report or other information that the Commission reasonably requires. Commission Regulation 807 KAR 5:006, Section 3(1), requires every utility to file with the Commission on or before March 31 of each year a financial and statistical report of its utility operations for the preceding calendar year on forms furnished by the Commission.

Digital Network Services, Inc., a utility subject to the Commission's jurisdiction, has failed to file its Gross Revenue Report for the calendar year ending December 31, 1997.

KRS 278.990(1) states that any utility which willfully violates any provision of KRS Chapter 278 or Commission regulations shall be subject to a civil penalty not less than \$25.00 nor more than \$2,500.

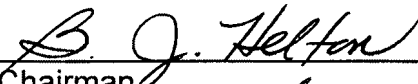
On December 16, 1997, the Commission provided Digital Network Services, Inc. the standard forms for the Gross Revenue Report. According to Commission records, this report for the 1997 calendar year has not yet been filed. The absence of this report from Commission records constitutes prima facie evidence Digital Network Services, Inc. has willfully failed to comply with KRS 278.230(3).

IT IS THEREFORE ORDERED that:

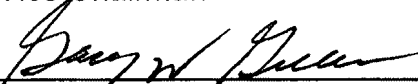
1. Digital Network Services, Inc. shall file with the Commission, no later than September 21, 1998, its Gross Revenue Report for the 1997 calendar year.
2. A hearing shall be held on October 7, 1998, at 9:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of showing cause, if any it can, why Digital Network Services, Inc. should not be subjected to the penalties of KRS 278.990 for its failure to comply with KRS 278.230(3).
3. If Digital Network Services, Inc. desires to waive its right to a hearing in this matter, it shall, no later than September 21, 1998, file the required report and pay a penalty of \$250. Payment of the penalty shall be made by certified check or money order made payable to Treasurer, Commonwealth of Kentucky, and shall be delivered to the Office of General Counsel, Public Service Commission, 730 Schenkel Lane, P.O. Box 615, Frankfort, Kentucky 40602.

Done at Frankfort, Kentucky, this 2nd day of September, 1998.

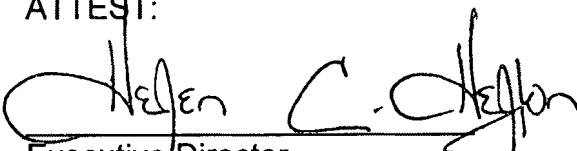
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director