

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LOTEL INC. D/B/A)	
COORDINATED BILLING SERVICES)	
_____)	CASE NO.
)	2000-224
)	
ALLEGED VIOLATION OF KRS 278.535)	

O R D E R

Lotel, Inc. is a communications provider as defined in KRS 278.535(1)(a) subject to the Commission's jurisdiction. Lotel, Inc. is a foreign corporation (identification number 0489371) authorized by the Office of the Secretary of State of the Commonwealth of Kentucky to do business in Kentucky as of February 14, 2000.¹

KRS 278.535(1)(a) prescribes statutory procedures for the proper changing of any Kentucky customer's primary telecommunications carrier.

COUNT I

On or about July 19, 1999, Mary Queen of the Holy Rosary, 601 Hill-n-Dale Road, Lexington, Kentucky 40503, reported to Commission Staff by telephone that its long-distance carrier had been changed from GTE Long Distance to Lotel, Inc. without its authority or permission. Mary Queen of the Holy Rosary's telephone number is 859-278-7432.

¹ Its predecessor in interest, Lotel, Inc. d/b/a Coordinated Billing Services, was providing service in Kentucky at times noted herein.

After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Mary Queen of the Holy Rosary by which it properly authorized the carrier change.

COUNT II

On or about April 28, 1999, Sarah Camper, on behalf of Concentra Managed Care, Inc., 2633 Wayne Sullivan Drive, Paducah, Kentucky 42003, reported to Commission Staff by telephone that its long-distance carrier had been changed from MCI to Lotel, Inc. without its authority or permission. Concentra Managed Care, Inc.'s telephone number is 270-444-9389.

After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Concentra Managed Care, Inc. by which it properly authorized the carrier change.

COUNT III

On or about July 14, 1999, Jean Hieb, 502 Chinoe Drive, Lexington, Kentucky 40502, on behalf of herself and her husband, Alfred Hieb, reported to Commission Staff by telephone that their long-distance carrier had been changed from GTE Long Distance to Lotel, Inc. without their authority or permission. The Hiebs' telephone number is 859-269-1440.

After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Mr. or Mrs. Hieb by which either properly authorized the carrier change.

COUNT IV

On or about September 15, 1999, Jana Sturm, on behalf of Sturm Insurance Agency, Inc., P. O. Box 5100, Frankfort, Kentucky 40602, reported to Commission Staff by telephone that its long-distance carrier had been changed to Lotel, Inc. without its authority or permission. Sturm Insurance Agency's telephone number is 502-875-1351.

After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Sturm Insurance Agency by which it properly authorized the carrier change.

COUNT V

On or about April 26, 1999, William Gallrein, 2170 Bensons Pike, Shelbyville, Kentucky 40065, reported to Commission Staff by telephone that his long-distance carrier had been changed from Westinghouse to Lotel, Inc. without his authority or permission. Mr. Gallrein's telephone number is 502-633-3242.

After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Mr. Gallrein by which he properly authorized the carrier change.

CONCLUSION

Based on the foregoing allegations and on the results of the investigations by the Commission Staff, the Commission, on its own motion, HEREBY ORDERS that:

1. Within 30 days of the date of receipt of this Order, Lotel, Inc. shall submit to the Commission a response to the allegation stated above.
2. Lotel, Inc. shall appear on November 28, 2000 at 10:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower

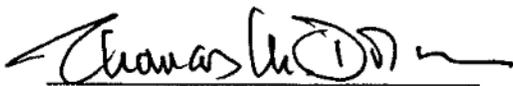
Boulevard, Frankfort, Kentucky for the purpose of showing cause why it should not be subject to penalties pursuant to KRS 278.990(1) and KRS 278.535(6) for the alleged violation of law described herein.

3. Any request for an informal conference with the Commission Staff to consider any matter which would expedite the handling or disposition of this proceeding shall be filed with the Commission no later than 30 days from the date of receipt of this Order.

Done at Frankfort, Kentucky, this 29th day of August, 2000.

By the Commission

ATTEST:


Executive Director