

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICA'S TELE-NETWORK CORPORATION )  
 )  
\_\_\_\_\_) CASE NO. 2000-217  
 ) CASE NO. 2000-421  
ALLEGED VIOLATION OF KRS 278.535 )

O R D E R

By this Order, the Commission serves notice upon America's Tele-Network Corporation ("ATN") that it shall, within 30 days of this Order, show cause why its authorization to provide service in this Commonwealth should not be revoked, its tariff removed from the Commission's files, and its name stricken from the Commission's list of active utilities without further Order.

Over the course of the past year, the Commission has issued several Orders requiring ATN to show cause why it should not be subject to penalties for approximately 330 alleged violations of KRS 278.535 and KRS 278.990. During this process, ATN has disregarded the authority of the Commission and the rights of the consumers of this Commonwealth. ATN has failed to respond to Commission Orders, has failed to attend a hearing, and has demonstrated that it generally lacks the competence to operate in Kentucky.

On June 14, 2000, in Case No. 2000-217, the Commission issued an Order directing ATN to show cause why it should not be subject to penalties for 40 alleged violations of KRS 278.535 and KRS 278.990. In the Order, the Commission scheduled

a hearing for September 5, 2000 at 10:00 a.m. in Hearing Room 1 of the Commission's offices. On July 8, 2000, ATN requested that the Commission extend the deadline by which to file its answer. The Commission granted the request and extended the deadline to file an answer to August 28, 2000.

ATN filed its answer on August 28, 2000 and requested that the Commission consolidate Case No. 2000-217 with other proceedings against ATN and continue the September 5, 2000 hearing. The Commission denied the request for consolidation and continuance and elected to hold the September 5, 2000 hearing as scheduled in the Order issued June 14, 2000. ATN did not appear at the September 5, 2000 hearing, despite having received notice of the hearing. The Commission, finding that ATN had not carried its burden of proof, fined ATN \$402,500.

On September 7, 2000, ATN petitioned for a rehearing, citing various circumstances for its failure to appear at the September 5, 2000 hearing. The Commission granted the petition, but limited the scope of the rehearing to the new arguments raised in the petition for rehearing. The Commission, however, did not set a date for the rehearing, electing to hold the date in abeyance while ATN and Commission Staff engaged in settlement negotiations.

Commission Staff and representatives of ATN, including ATN's president John Little, met in an informal conference on November 8, 2000 to discuss the possible settlement of all claims against ATN. ATN proffered a proposed settlement agreement to Commission Staff, which Commission Staff took under advisement. While Commission Staff was reviewing the settlement agreement, ATN informed Commission

Staff that it would not be able to enter into the proposed settlement agreement due to penalties issued against ATN by other regulatory agencies.

The Commission has taken every possible step to ensure that ATN has been treated fairly during the proceedings against it. The Commission granted many extensions of time, and Commission Staff has met with ATN on two occasions to discuss the proceedings against ATN. At both conferences, and in its answers to Commission Orders, ATN asserted that it had taken steps to reduce the incidents of “slamming” committed by its agents. Even after these representations, Commission Staff continued to receive complaints against ATN accusing ATN of illegal switches of telecommunications providers. Recently, ATN has stopped responding to inquiries from Commission Staff regarding consumer complaints received by the Consumer Services Division of the Commission.

ATN has not conducted itself in a manner consistent with even the minimum standards required of utilities under Commission jurisdiction in this Commonwealth.

Accordingly, IT IS HEREBY ORDERED that:

1. Within 30 days of the date of this Order, ATN shall file with the Commission a full explanation as to why it believes it should be permitted to continue to operate in Kentucky.
2. If no filing is received within 30 days of the date of this Order, ATN’s authorization to provide service in this Commonwealth shall be revoked, its tariff removed from the Commission’s files, and its name stricken from the Commission’s list of active utilities without further Order.

3. ATN shall notify its Kentucky customers that it no longer provides service in Kentucky and that the customers must obtain service from another carrier.

Done at Frankfort, Kentucky, this 23<sup>rd</sup> day of March, 2001.

By the Commission

ATTEST:

  
Executive Director