

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

USA TELE CORP.)	
_____)	CASE NO. 2001-060
ALLEGED VIOLATION(S) OF KRS 278.535)	

O R D E R

USA Tele Corp. is a communications provider as defined in KRS 278.535(1)(a), is authorized to do business in Kentucky, and is subject to the Commission's jurisdiction.

USA Tele Corp. is a foreign corporation (identification number 0435088) authorized by the Office of the Secretary of State of the Commonwealth of Kentucky to do business in Kentucky as of June 27, 1999. The records maintained by the Office of Secretary of State show that the principal place of business is 273 South State Road 7, #278, Margate, Florida 33068 and show that the registered agent is National Registered Agents, Inc., 400 West Market Street, Suite 1800, Louisville, Kentucky 40202.

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

COUNT I

1. On or about February 23, 1999, Linda Brown, on behalf of Concepts Marketing Design, Inc. ("Marketing Design") reported to Commission Staff by telephone

that Marketing Design's long-distance carrier had been changed to USA Tele Corp. without its authority or permission. Marketing Design's telephone number is 502/637-4823.

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

COUNT II

1. On or about September 13, 1999, Dr. Howard Lawrence reported to Commission Staff by telephone that his long-distance carrier had been changed to USA Tele Corp. without his authority or permission. Dr. Lawrence's telephone number is 502/368-6852.

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

COUNT III

1. On or about August 4, 1999, Donna Revel reported to Commission Staff by telephone that her long-distance carrier had been changed to USA Tele Corp. without her authority or permission. Ms. Revel's telephone number is 502/349-6820.

2. After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Ms. Revel by which she properly authorized the carrier change.

Based upon the allegations listed above, IT IS THEREFORE ORDERED that:

1. Within 45 days of the date of this Order, USA Tele Corp. shall submit to the Commission a response to the allegations stated above. The response shall be accompanied by the following:

a. A copy (front and back) of all canceled checks issued to the subscribers.

b. A statement from the local exchange carrier ("LEC") listing each customer's name, address, phone number, amount of USA Tele Corp. charges accrued to date, and the total amount of the adjustment to each bill after removal of USA Tele Corp. charges, or a statement from the LEC stating the customer's name, address, phone number, and the total amount paid by the LEC to USA Tele Corp.

c. All documentation supporting any claim by USA Tele Corp. that the carrier change was authorized by the customer, including, but not limited to, letters of authority or electronically recorded authorization meeting the requirements of KRS 278.535. If USA Tele Corp. is unable to supply such documentation, it shall supply a notarized statement naming the individual or individuals responsible for obtaining such documentation and explaining why such documentation is unavailable.

d. USA Tele Corp. shall also provide an alphabetized list of all people in Kentucky contacted by USA Tele Corp. for the purpose of soliciting long-distance service and the sources from which they obtained the names of those persons.

e. A list of all telemarketers representing USA Tele Corp. whose sales of long-distance service have been challenged by Kentucky residents as stated in this Order.

f. All evidence and documents to be introduced at hearing, and the names of witnesses who will be called by USA Tele Corp., together with a brief description of the issues regarding which each witness will testify.

2. USA Tele Corp. shall appear on June 20, 2001 at 9:00 a.m., Eastern Daylight 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 violations of law described herein.

3. Any request for an informal conference with the Commission Staff to consider matters 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 this Order.

Done at Frankfort, Kentucky, this 13th day of March, 2001.

By the Commission

ATTEST:


Executive Director