COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED MODIFICATION OF DIRECTORY)ASSISTANCE SERVICES RATE FOR PEOPLES)RURAL TELEPHONE COOPERATIVE)CORPORATION, INC.)

On May 21, 2004, Peoples Rural Telephone Cooperative Corporation, Inc. ("Peoples Rural") filed a proposed tariff revision to increase its directory assistance service rate. In addition to the proposed tariff, Peoples Rural requested deviations from two sections of 807 KAR 5:011. One section, 807 KAR 5:011, Section 10(1)(c), requires a detailed statement explaining why the proposed changes could not be included in the most recent general rate case and why current conditions prevent deferring the proposed changes until the next general rate request. The other, 807 KAR 5:011, Section (1)(e), requires a copy of the utility's income statement and balance sheet for the recent 12-month period.

In support of its requests for deviation, Peoples Rural contends that it has not filed a general rate case in a long time and does not anticipate filing one in the foreseeable future. Moreover, Peoples Rural indicates that the income statement and balance sheet are already on file with the Commission. Peoples Rural has filed notice of the proposed rate increase with its customers. No customer has filed comments at the Commission regarding this proposed increase. The Commission finds that Peoples Rural has shown good cause why deviations should be granted.

IT IS HEREBY ORDERED that:

1. Peoples Rural is granted a deviation pursuant to 807 KAR 5:011, Section 14 from the filing requirements of 807 KAR 5:011, Section 10(1)(c) and (e).

2. The proposed rate increase for directory assistance services is approved as of the date of this Order.

Done at Frankfort, Kentucky, this 21st day of June, 2004.

By the Commission

ATTEST:

Executive Director

Case No. 2004-00247