COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALLEGED FAILURE OF AMERICAN BROADBAND, INC. TO FILE REQUIRED REPORTS CASE NO. 2011-00333

<u>ORDER</u>

KRS 278.140 requires each utility to file, on or before March 31 of each year, a report of its gross earnings or receipts derived from intrastate business for the preceding calendar year. Based upon these reports, the Commission, pursuant to KRS 278.150, certifies to the Department of Revenue and the Finance and Administration Cabinet the intrastate revenue so collected. The Department of Revenue, pursuant to KRS 278.130 and for the purpose of maintaining the Commission, then assesses each utility in proportion to its receipts from intrastate business for the preceding calendar year. KRS 278.990 provides penalties for utilities that fail to file the required reports.

American Broadband, Inc. ("American Broadband") transmits or conveys over wire, in air, or otherwise, messages by telephone for the public for compensation in the Commonwealth of Kentucky. It is, therefore, a utility subject to Commission jurisdiction.¹

¹ KRS 278.010(3)(e)

KRS 278.990(1) states that any utility which willfully violates any provision of KRS Chapter 278 or any Commission regulation shall be subject to a civil penalty not less than \$25.00 and not more than \$2,500.

On December 15, 2010, the Commission provided to American Broadband the standard forms for the report of gross earnings from intrastate business for the 2010 calendar year. According to Commission records, American Broadband has yet to file its Long Distance Carrier gross operating reports for the 2010 calendar year with the Commission. The absence of this report from Commission records constitutes *prima facie* evidence that American Broadband has willfully failed to comply with KRS 278.140.

IT IS THEREFORE ORDERED that:

American Broadband shall file with the Commission, no later than October
20, 2011, its Long Distance Carrier gross operating report for the 2010 calendar year.

2. American Broadband shall appear on October 27, 2011, at 10:00 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 subjected to the penalties of KRS 278.990 for its failure to comply with KRS 278.140.

3. In the absence of such showing, and without further Order, American Broadband's authorization to provide service shall be revoked, its tariff shall be removed from the Commission's files, and its name shall be stricken from the Commission's list of active utilities.

4. If American Broadband desires to waive its right to a hearing in this matter, it shall, no later than October 20, 2011, file the required report and pay a penalty

-2-

of \$250. Payment of the penalty shall be made by certified check or money order made payable to the Treasurer, Commonwealth of Kentucky, and shall be delivered to the Office of General Counsel, Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602-0615.

By the Commission

(P ENTERED OCT 12 2011 PUBLIC SION

ATTES e Director Ex

Jeffrey P Kostelnik Manager - Regulatory Affairs American Broadband, Inc. 1321 Connellsville Road Lemont Furnace, PA 15456