

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

THE PETITION OF ALLTEL KENTUCKY FOR) **CASE NO.**
AN INCREASE IN RATES) **2004-00193**

REQUEST FOR AN EXTENSION

For the reasons set forth below, ALLTEL Kentucky, Inc. ("ALLTEL Kentucky") requests an extension of the July 1, 2004 deadline in which to respond to the Commission's Order in this proceeding:

1. In 2002, Kentucky ALLTEL, Inc. ("Kentucky ALLTEL") acquired the Kentucky assets of Verizon South, Inc. Pursuant to that acquisition proceeding (Case No. 2001-00399), the Commission ordered the filing of a plan regarding the merger of ALLTEL Kentucky and Kentucky ALLTEL ("Merger Plan"). The filing date of the Merger Plan is August 2, 2004.

2. On April 23, 2004, ALLTEL Kentucky filed in this proceeding a notice of its intent to increase basic rates and its tariff filing pursuant to K.R.S. §278.516. However, the Commission suspended ALLTEL Kentucky's tariff filing and questioned whether ALLTEL Kentucky could still be defined as a "small telephone utility" under K.R.S. §278.516 given the acquisition of Verizon's Kentucky properties by ALLTEL Kentucky's affiliate, Kentucky ALLTEL.

3. Consequently, the Commission ordered ALLTEL Kentucky to file, by July 1, 2004, either an argument in support of ALLTEL Kentucky's alleged right to adjust its rates pursuant to the K.R.S. §278.516 procedure for small telephone utilities (including a discussion of the appropriate way to calculate GDP increases) or a notice

stating that ALLTEL Kentucky's petition to increase rates pursuant to K.R.S. §278.516 is withdrawn (in which case the Commission's tentative findings and conclusions in the order shall become final, including that the alternative regulation provisions of the statute do not still apply to ALLTEL Kentucky).

4. The Merger Plan scheduled to be filed in August will include, among other things, discussion of the very issues that the Commission has also required ALLTEL Kentucky to address in its tariff response in this proceeding. For example, in addressing the ramifications of merging the two affiliates into one company, it will be necessary to address whether one of those affiliates could continue to operate under the K.R.S. §278.516 small company alternative regulation plan.

5. ALLTEL Kentucky, therefore, requests that the Commission extend the deadline of July 1, 2004 for the filing of its tariff response until such time as the Merger Plan is filed in Case No. 2001-00399. As the substance of the tariff response will be included in the Merger Plan, ALLTEL Kentucky further requests that the Commission consider submission of the Merger Plan to be deemed to satisfy the requirement that ALLTEL Kentucky file a tariff response in this proceeding.

6. No harm would result from granting this request as ALLTEL Kentucky's tariff filing has been suspended until January 6, 2004, which is well after the time that the Merger Plan is scheduled to be submitted.

WHEREFORE, ALLTEL Kentucky respectfully requests that the Commission grant this request for an extension and all other relief to which ALLTEL Kentucky may be entitled.

Dated: June 11, 2004.

Respectfully submitted,

KENTUCKY ALLTEL, INC.

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