Ernie Fletcher Governor

LaJuana S. Wilcher, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection

Honorable John N. Hughes Attorney at Law 124 West Todd Street Frankfort, KY 40601



Commonwealth of Kentucky
Public Service Commission

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July 18, 2006

Mark David Goss Chairman

> Teresa J. Hill Vice Chairman

Gregory Coker Commissioner

CERTIFICATE OF SERVICE

RE: Case No. 2004-00433 Express Telephone Services, Inc.

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on July 18, 2006.

Executive Director

BOD/jc Enclosure



Honorable John N. Hughes Attorney at Law 124 West Todd Street Frankfort, KY 40601 Vanessa J. Wilson Express Telephone Services, Inc. 6331Grapevine Highway Suite 250 N Richland Hill, TX 76180

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:	
EXPRESS TELEPHONE SERVICES, INC	C.))) CASE NO. 2004-00433
ALLEGED VIOLATION(S) OF KRS 278.53) 35)

ORDER

On December 8, 2004, the Commission issued an Order to Express Telephone Services, Inc. ("Express Telephone") directing it to show cause why it should not be subject to penalties pursuant to KRS 278.990(1) and KRS 278.535(6) for three alleged violations of KRS 278.535.

Express Telephone is a communications provider as defined in KRS 278.535(1)(a) and is subject to the Commission's jurisdiction. Express Telephone was previously authorized to operate in Kentucky, but that authority was revoked on January 4, 2006 for failure to file its annual report. Express Telephone has failed to file its gross operating statement for 2005 with the Commission and has failed to pay its annual assessment for 2005.

On or about September 20, 2004, Lynn Pierce reported to Commission Staff by telephone that her telephone service had been changed to Express Telephone with permission, but that she was not provided the service offered as incentive to change providers. After investigation, Commission Staff was unable to obtain any written

authorization or electronically recorded authorization of Ms. Lynn by which she properly authorized the specific details of the carrier change.

On or about October 12, 2004, Yettie Nesselrotte reported to Commission Staff by telephone that her telephone service had been changed to Express Telephone without her authority or permission. After investigation, Commission Staff was unable to obtain any written authorization or electronically recorded authorization of Ms. Nesselrotte by which she properly authorized the carrier change.

On or about October 22, 2004, Latoya Mansfield reported to Commission Staff by telephone that her telephone service had been changed to Express Telephone without her authority or permission. After investigation, Commission Staff has been unable to obtain any written authorization or electronically recorded authorization of Ms. Mansfield by which she properly authorized the carrier change.

By Order dated December 8, 2004, the Commission established a schedule of procedures and a hearing to allow Express Telephone to show cause why it should not be held liable for the three alleged violations of KRS 278.535. On January 7, 2005, Express Telephone moved to postpone the hearing in order to conduct settlement negotiations, and the Commission granted the motion. Counsel for Express Telephone offered \$500 to satisfy all three complaints. Express Telephone stated that it had removed all outstanding balances from the Complainants' accounts.

No further complaints have been received against Express Telephone and, because Express Telephone no longer provides service in Kentucky, is no longer registered with the Kentucky Secretary of State, has failed to file its gross annual statement, and has failed to pay its annual assessment as required by KRS 278.130,

KRS 178.140 and KRS 278.150, the Commission finds that further proceedings would be wasteful. The Commission further finds, however, that should Express Telephone seek to again provide service in Kentucky, it must pay a fine of \$1,500 in addition to paying all assessments and penalties owed pursuant to KRS 278.130, KRS 278.140 and KRS 278.150.

IT IS THEREFORE ORDERED that:

- 1. This case is dismissed and is removed from the Commission's docket.
- 2. If Express Telephone seeks to provide service again in Kentucky, it shall first pay a fine of \$1,500 in addition to all monies owed pursuant to KRS 278.130, KRS 278.140 and KRS 278.150.

Done at Frankfort, Kentucky, this 18th day of July, 2006.

By the Commission

ATTEST

Executive Director