

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF GENERAL)
TELEPHONE COMPANY OF KENTUCKY)

CASE NO. 8859

O R D E R

On June 20, 1984, General Telephone Company of Kentucky ("General") filed a petition for reconsideration of an Order entered on June 8, 1984, ("Order on Rehearing") after the Commission reconsidered several issues of its January 4, 1984, general rate Order.

On June 20, 1984, the Commission held an informal meeting with representatives of General and the State Attorney General's Office. The meeting was held at General's request. During the meeting, General stated its intention to file a "petition for reconsideration" of the Order on Rehearing. General was orally advised that there is no statutory provision by which a utility may seek "rehearing" on a final Order on Rehearing. General nevertheless filed the petition alleging it was denied "due process" by the terms of the Commission's June 8, 1984, Order. To assure General that it has received due process in this case, the Commission will exercise its discretion and address this second petition for rehearing on the merits.

The Commission has considered General's arguments and has determined them to be without merit. All of the issues and facts raised were before the Commission on rehearing and were considered, except for the identification of revenues "lost" between the date of the original Order and the Order on Rehearing and the "due process" argument regarding the Commission's decision to require General to absorb a portion of the revenue deficiency found upon rehearing.

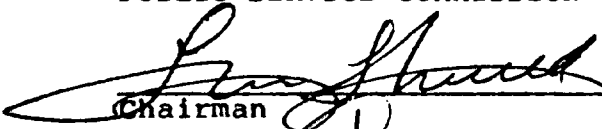
The revenue "lost" between the date of the Order and Rehearing Order was due to General's error in its original billing analysis. The matter was handled as expeditiously as practical given the time General required to finally quantify the error. Furthermore, the Commission has already taken extraordinary steps in considering the matter even though the original time for filing for rehearing had expired, although a rehearing had already been granted on another ground. This "loss" cannot be considered a penalty nor is it the Commission's responsibility.

Although General alleges a violation of "due process," by virtue of the lack of notice, hearing or opportunity for presenting evidence, explanation or argument on the absorption issue, General did not specifically request a further hearing. Its Petition for Reconsideration also fails to allege any facts or provide any valid argument as to why the Commission's determination on the absorption issue should be modified.

IT IS THEREFORE ORDERED that General's Petition for Reconsideration of the Order on Rehearing hereby is denied.

Done at Frankfort, Kentucky, this 28th day of June, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary