

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE REASON-)
ABLENESS OF THE EARNINGS OF BRANDENBURG) CASE NO. 9859
TELEPHONE COMPANY, INC.)

O R D E R

On June 10, 1988, Brandenburg Telephone Company, Inc. ("BTC"), filed a Motion for Oral Argument requesting that oral arguments be held the day of the negotiation conference or thereafter. The purpose of such oral arguments would be to present the Staff's and BTC's filings to the Commission and to present the issue of whether a hearing should be ordered in this case.

This investigation was initiated by the Commission to determine the reasonableness of BTC's earnings. As such the investigation is conducted pursuant to KRS 278.260 which states, in part that:

No order affecting the rates or service complained of shall be entered by the commission without a formal public hearing.

Consequently, absent a Commission-approved settlement, the statute mandates a public hearing prior to the entry of an Order affecting rates or service. Thus, the Commission finds that oral arguments for the purpose of determining whether to convene a public hearing are unnecessary. The Commission is also of the opinion that the presentation of BTC's views through oral arguments concerning the

Staff Report and BTC's response would be premature because of the scheduled negotiation conference. Should BTC and the Staff be unable to reach a negotiated settlement or should the Commission disapprove the settlement that may be reached, then the Commission will entertain oral arguments on the filings at the time of the hearing held pursuant to KRS 278.260.

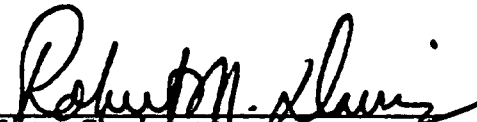
Thus, BTC's Motion for Oral Argument should be denied for the reasons stated herein.

BE IT SO ORDERED.

Done at Frankfort, Kentucky, this 20th day of July, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director