COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF GTE SOUTH) INCORPORATED) CASE NO. 10117

ORDER

On July 25, 1988, GTE South Incorporated ("GTE South") filed a letter stating that it would not exercise its statutory right to place new rates into effect subject to refund, pursuant to KRS 278.190(2), during the 30 days following the end of the suspension period provided that the Commission will make the new rates effective as of August 1, 1988. The Commission will treat this letter as a Motion.

GTE South's Motion is conditioned upon: 1) the issuance of an Order concluding this case, subject to request for rehearing, and prescribing new rates by September 1, 1988; 2) any change in rates prescribed by the Commission will be made effective as of August 1, 1988; and 3) such Order providing for a rate adjustment not to extend past December 31, 1988 to cover the lag between rates actually charged August 1, 1988 through September 1, 1988, and rates prescribed in the Order.

The purpose of GTE South's Motion is to avoid at this time the imposition of new rates that may be subject to refund. No party to this case has objections to this proposal. The Commission, having considered GTE South's Motion and being advised, is of the opinion and finds that GTE South's willingness to forego its rights under KRS 278.190(2) constitutes good cause for the acceptance of GTE South's Motion that new rates when approved be made effective on August 1, 1988. Though the Commission intends to issue the rate Order by September 1, 1988, if such Order is not issued by that date, GTE South may make whatever provisions it deems necessary with respect to the period beyond September 1, 1988.

IT IS THEREFORE ORDERED that GTE South's Motion be and it hereby is granted as provided above.

Done at Frankfort, Kentucky, this 29th day of July, 1988.

PUBLIC SERVICE COMMISSION

ATTEST:

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Executive Director