

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GENERAL TELEPHONE)	
COMPANY OF THE SOUTH FOR AN ORDER)	CASE NO.
AUTHORIZING THE ISSUANCE AND SALE)	9964
OF SECURITIES)	

O R D E R

On September 5, 1989, GTE South Incorporated, formerly known as General Telephone Company of the South ("GTE South"), filed a request for an interpretation of the August 20, 1987 Order which authorized GTE South to issue, sell, and deliver up to \$150,000,000 of First Mortgage Bonds and/or promissory notes in one or more transactions over a two year period. That Order stated that GTE South would file a shelf registration with the Securities and Exchange Commission.

GTE South was also ordered to file with the Commission a statement setting forth the date or dates of issuance of the securities authorized, the price paid, the interest or dividend rate, the purchasers, and all incidental expenses involved in the issuance and distribution. Such filing was to be made as soon as reasonably possible after the issuance of the securities.

GTE South has determined that it is prudent for it to issue the remaining bonds in the immediate future. GTE South plans to price the remaining \$100,000,000 of its First Mortgage Bonds on September 12, 1989 with delivery of the new bonds to be made to

the purchasers on September 26, 1989. Prior to issuing these bonds, however, GTE South seeks clarification concerning the initial starting date for the two year period over which it has been authorized to issue, sell, and deliver the First Mortgage Bonds.

Having considered this request, the Commission finds that the two year period over which GTE South was authorized to issue, sell, and deliver new bonds should begin with the issuance, sale, and delivery of the initial transaction of the securities. Further, the Commission is of the opinion that GTE South should be granted through September 30, 1989 to consummate the previously authorized issuance, sale, and delivery of the long-term securities.

IT IS THEREFORE ORDERED that:

1. GTE's request be and it hereby is granted, as described herein.

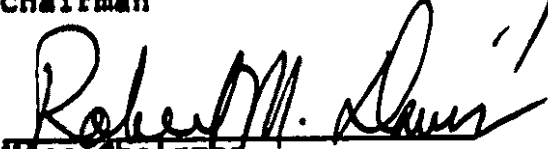
2. GTE South shall file a statement containing the date(s) of issuance, the price paid, the interest or dividend rate, all incidental expenses, and the purchasers, within 30 days of the issuance of the securities.

Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities described herein.

Done at Frankfort, Kentucky, this 12th day of September, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director