

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF DUO COUNTY TELEPHONE)
COOPERATIVE CORPORATION, INC., FOR A)
CERTIFICATE OF CONVENIENCE AND NECES-) CASE NO. 90-250
SITY TO CONSTRUCT NEW FACILITIES)
THROUGH ITS FOUR EXCHANGES IN SOUTH)
CENTRAL KENTUCKY)

O R D E R

On September 12, 1990, Duo County Telephone Cooperative Corporation, Inc. ("Duo County Telephone") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to construct and upgrade its outside plant and central offices.

Duo County Telephone is a non-stock, non-profit membership cooperative corporation organized under the laws of the Commonwealth of Kentucky. Its principal office is in Jamestown, Kentucky. Duo County Telephone serves the Burkesville, Fairplay, Jamestown, and Russell Springs exchanges.

The proposed construction consists of replacing three remote switches in the Jamestown exchange with a single digital switch which has more expansion capabilities. Those three remotes will be relocated to new rural sites. A fiber optic ring network will connect Duo County Telephone's switching offices and two long distance connection points. This fiber ring will pass by four new

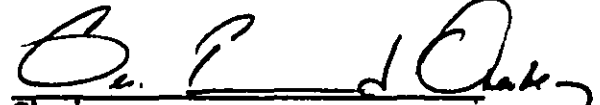
remote locations, providing more system reliability and diversity. The proposed plan will also enable Duo County Telephone to provide equal access and Signaling System 7. The plan will include construction for the outside plant relocation due to U.S. Highway 127 modification in Russell County. The construction includes 215.6 miles of cable along existing routes and 122.6 miles of cable route for growth and extensions. Furthermore, the plan will include an addition of subscriber connection and central office equipment in order to accommodate the subscriber growth.

The estimated cost of the proposed construction is \$5,722,000. The cost will be funded through a loan from the Rural Electrification Administration ("REA"). As the REA is an agency of the federal government, Commission approval of Duo County Telephone's loan with REA is not required pursuant to KRS 278.300(10).

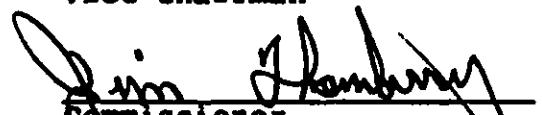
The Commission, having considered the application of Duo County Telephone, and being otherwise sufficiently advised, HEREBY ORDERS that Duo County Telephone shall be authorized to construct and upgrade its facilities as set forth in its application and this Order.

Done at Frankfort, Kentucky, this 13th day of November, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director