COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MOUNTAIN RURAL TELEPHONE)
COOPERATIVE CORPORATION, INC. FOR A CERTIFI-) CASE NO. 91-240
CATE OF PUBLIC CONVENIENCE AND NECESSITY TO)
UPGRADE ITS FACILITIES

ORDER

On August 9, 1991, Mountain Rural Telephone Cooperative Corporation, Inc. ("Mountain RTCC") filed its application seeking a Certificate of Public Convenience and Necessity to construct and upgrade its facilities.

Mountain RTCC is a corporation organized under the laws of the Commonwealth of Kentucky. Its principle office is in West Liberty, Kentucky. Mountain RTCC serves the Sandy Hook, Frenchburg, Campton, West Liberty, Jeptha, Ezel, and Hazel Green exchanges.

In addition to outside plant construction, the proposed construction consists of replacement of the TRW-Vidar switching equipment in the Ezel, Hazel Green, and Jeptha exchanges. This equipment is outdated and is no longer being manufactured, therefore the maintenance of it is difficult and costly. The new switching equipment will be obtained from Northern Telecom. Furthermore, the existing host switches in Campton, Frenchburg, Sandy Hook, and West Liberty will be upgraded in order to support the remotes and provide signaling system 7 and other

custom calling features. The proposed project will also provide facilities to serve 1909 additional subscribers over the next five years. The project will also include a new fiber optic network for route diversity purposes.

The estimated cost of the proposed construction is \$6,825,481. The cost will be funded through a loan approved from the Rural Electrification Administration ("REA"), an agency of the federal government. Loans from the federal government do not require PSC authorization. (KRS 278.300(10)).

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that there is a need for the proposed upgrades and construction.

IT IS THEREFORE ORDERED that:

- 1. Mountain RTCC be and it hereby is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction project as described in this Order and the application.
- 2. Mountain RTCC shall file a copy of all progress reports, or similar documents, submitted to the REA with the Commission.

Done at Frankfort, Kentucky, this 1st day of October, 1991.

PUBLIC SERVICE COMMISSION

hairman

Vice Chairman

Commissioner

ATTEST:

Executive Director