

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALPHA CELLULAR TELEPHONE COMPANY,)
A FLORIDA GENERAL PARTNERSHIP,)
FOR THE ISSUANCE OF A CERTIFICATE)
OF PUBLIC CONVENIENCE AND)
NECESSITY TO PROVIDE DOMESTIC)
PUBLIC CELLULAR RADIO TELECOM-)
MUNICATIONS SERVICE TO THE)
PUBLIC IN THE RURAL SERVICE) CASE NO. 91-377
AREA WHICH INCLUDES ELLIOTT,)
LAWRENCE, MORGAN, MAGOFFIN,)
JOHNSON, MARTIN, FLOYD AND PIKE)
COUNTIES IN KENTUCKY, FOR)
APPROVAL OF FINANCING, AND FOR)
ESTABLISHMENT OF INITIAL RATES)

O R D E R

On October 21, 1991, Alpha Cellular Telephone Company ("Alpha Cellular") filed an application seeking: a Certificate of Public Convenience and Necessity to operate a cellular radio telecommunications system in Rural Service Area No. 9 (RSA No. 9); approval of financing; and approval of initial rates. RSA No. 9 includes Elliott, Floyd, Johnson, Lawrence, Magoffin, Martin, Morgan, and Pike counties in Kentucky.

A Certificate of Public Convenience and Necessity for construction is not required, as Alpha Cellular plans to utilize an existing 60 foot guyed tower located on Poor Farm Hollow in Pike County, Kentucky (the "Pikeville Site"). The financial, technical, and managerial capabilities of Alpha Cellular to

provide cellular telecommunications services are adequately demonstrated in the exhibits attached to the application.

Alpha Cellular has access to a \$3,846,626 line of credit issued by NovAtel Finance, Inc., a wholly owned subsidiary of NovAtel Communications Ltd. The line of credit is to be available for both working capital and equipment. The Commission finds that this proposed financing is for a lawful object within the corporate purpose of Alpha Cellular, is consistent with the proper performance by Alpha Cellular of its service to the public and will not impair its ability to perform that service, and is reasonably necessary and appropriate for such purpose.

Original Page 16, Section 3.7.D, of Alpha Cellular's proposed tariff provides for a late payment penalty of 1.5 percent per month. A late payment penalty may be assessed only once on each delinquent monthly billing. Any payment received should be applied first to the bill for service rendered. Additional penalty charges in subsequent bills cannot be assessed on unpaid penalty charges. Alpha Cellular should revise this section of its proposed tariff to clarify that late payment penalties will be assessed as stated herein.

Based on a review of the records and being otherwise sufficiently advised, the Commission hereby finds that Alpha Cellular should be granted authority to provide domestic public cellular radio telecommunications service in RSA No. 9 and that the rates proposed by Alpha Cellular should be approved as the fair, just, and reasonable rates to be charged by Alpha Cellular.

IT IS THEREFORE ORDERED that:

1. Alpha Cellular be and it hereby is granted a Certificate of Public Convenience and Necessity to provide domestic cellular radio telecommunications service in RSA No. 9.

2. Alpha Cellular's proposed financing with NovAtel Finance, Inc. be and it hereby is approved.

3. The rates proposed by Alpha Cellular are hereby approved.

4. Within 30 days from the date of this Order, Alpha Cellular shall file its tariff sheets pursuant to 807 KAR 5:011, setting out the rates approved herein and all rules governing the provision of service in accordance with the Commission's Orders and administrative regulations.

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 authorized herein.

Done at Frankfort, Kentucky, this 19th day of December, 1991.

PUBLIC SERVICE COMMISSION


Chairman

Vice Chairman


Commissioner

ATTEST:


Executive Director