

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

G. KELLEY ALLEN, INDIVIDUALLY,)
CAPITAL TRADE GROUP, INC. D/B/A)
CTG TELECOMMUNICATIONS, INC., AND)
FEDERAL DISCOUNT COMMUNICATIONS)
OF LINCOLN, NEBRASKA)
) CASE NO. 96-108

ALLEGED VIOLATIONS OF KRS 278.020(4))
AND (5))
)
)

O R D E R

On March 1, 1996, G. Kelley Allen, President of Capital Trade Group, Inc. d/b/a CTG Telecommunications, Inc. ("CTG"), filed a letter dated February 23, 1996 with the Commission. The letter notified the Commission that CTG, a utility subject to Commission jurisdiction under KRS 278.010(3)(e), was sold in August of 1995 to Federal Discount Communications of Lincoln, Nebraska ("Federal Discount"). Federal Discount has not filed any information with the Commission regarding this matter.

Having reviewed G. Kelley Allen's February 23, 1996 letter and being otherwise sufficiently advised, the Commission finds that a prima facie showing has been made that G. Kelley Allen, individually, CTG, and Federal Discount are in violation of KRS 278.020(4) and (5).

The Commission, on its own motion, HEREBY ORDERS that:

1. G. Kelley Allen, individually, CTG, and Federal Discount shall appear before the Commission on Friday, May 10, 1996 at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of presenting evidence concerning the alleged violations of KRS 278.020(4) and (5), and of showing cause why they should not be subject to the penalties prescribed in KRS 278.990 (1) for the alleged violations.

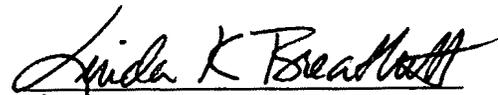
2. G. Kelley Allen, CTG, and Federal Discount shall submit to the Commission, within 20 days of the date of this Order, written responses to the allegations contained herein.

3. G. Kelley Allen's letter to the Commission dated February 23, 1996, which is attached hereto as Appendix A, is made part of the record of this proceeding.

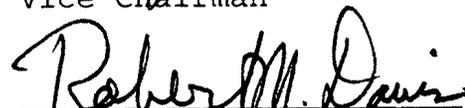
4. Any motion requesting an informal conference with Commission Staff to consider the simplification of issues, or any other matters which may aid in the handling or disposition of this proceeding, shall be filed with the Commission no later than 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 26th day of March, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

G. Kelley Allen
10854 W. Dorado Ave
Littleton, CO 80127
(303) 973-7316

February 23, 1996

Kentucky Public Service Commission
730 Schenkel Lane
PO Box 615
Frankfort, KY 40602

Re: Capital Trade Group, Inc. (CTG)

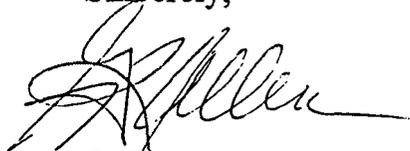
Dear Sir or Madam:

Capital Trade Group, Inc. d/b/a CTG Telecommunications, Inc. was sold in August of 1995 to Federal Discount Communications of Lincoln, NE. All of the directors and officers of CTG officially resigned at that time.

Please change your records to eliminate my name and Vincent H. Allen, Jr.'s name as your contacts of record, we are no longer involved with this company in any capacity. The new owners of CTG should have made the required records changes.

Thank you for your prompt help in this matter.

Sincerely,



G. Kelley Allen

cc: The Furst Group