

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICAN NORTEL COMMUNICATIONS INC.)	
)	
)	
_____)	CASE NO. 2000-216
)	
ALLEGED VIOLATION OF KRS 278.535)	

O R D E R

This is a case in which several consumers¹ allege that American Nortel Communications, Inc. ("American Nortel") switched their long-distance provider without authorization. The Commission entered an order on August 25, 2000 directing American Nortel, Inc. to show cause why it should not be found in violation of KRS 278.535.

American Nortel did not respond to the show cause order until October 30, 2000. In this response, American Nortel alleged that four (4) of the counts in the show cause order dated back to 1998. At no time has American Nortel provided electronic authorization or a letter of agency from these customers authorizing the switch of long distance providers.

In addition to its statements regarding the timeliness of the counts, in its October 30, 2000 correspondence, American Nortel offered to pay \$2,000.00 per count for the other two (2) counts in the show cause order. Based upon that offer, the Commission

¹ The consumers are Julian Thomas; Arthur Adkins; Ann Combs; Stacey Blanton; Kenneth Morton; and Theresa Caudell.

continued the November 2, 2000 hearing of this case to allow settlement negotiations to continue. As a result of these negotiations, American Nortel has agreed to pay a fine of \$2,000.00 for each count in the show cause order. American Nortel has tendered to this Commission a settlement proposal as set forth in the December 1, 2000 letter attached as Appendix A to this Order. The letter states that, as American Nortel is a small company whose financial condition prohibits it from paying the entire \$12,000.00 fine at one time, it will pay three (3) equal installments of \$4,000.00.

Based upon the foregoing and being otherwise sufficiently advised, IT IS HEREBY ORDERED that:

1. American Nortel's proposal as set forth in its letter is hereby accepted in full settlement of this matter.
2. American Nortel shall pay a fine of \$2,000.00 for each count set forth in this Commission's August 25, 2000 show cause order.
3. American Nortel shall pay the sum of \$4,000.00 on January 15, 2001, February 15, 2001 and March 15, 2001 and shall pay these installments by check made payable to the Kentucky State Treasurer.
4. American Nortel shall make the payments prescribed herein to the Office of General Counsel, Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602.
5. Should American Nortel fail to pay any installment as set forth above, it may be subject to further Commission action and suit in the Franklin County Circuit Court as set forth in KRS 278.990.

Done at Frankfort, Kentucky, this 7th day of December, 2000.

By the Commission

ATTEST:

Deborah L. Everett for
Thomas M. Lorman
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE
KENTUCKY PUBLIC SERVICE COMMISSION

IN CASE NO. 2000-216

DATED

DECEMBER 7, 2000

AMERICAN NORTEL COMMUNICATIONS, INC.

7201 E. CAMELBACK RD, SUITE 320 SCOTTSDALE, ARIZONA 85251 PHONE 480 945-1266 FAX 480 945-1909

RECEIVED

DEC 4 2000

GENERAL COUNSEL

SENT VIA FAX

DECEMBER 01, 2000

COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
PO BOX 615
FRANKFORT, KY 40602
ATT: STEWART DOUGLAS HENDRIX
STAFF ATTORNEY

RE: CASE #2000-216

DEAR MR. HENDRIX,

WE HEREBY ACKNOWLEDGE THE SETTLEMENT AMOUNT OF \$2,000.00 PER COUNT ON 6 COUNTS
EQUALING \$12,000.00.

WE APPRECIATE THE CONSIDERATION SHOWN BY THE COMMISSION IN ALLOWING US TO PAY
THIS FINE IN 3 INSTALLMENTS.

THANK YOU FOR YOUR CONTINUED ASSISTANCE CONCERNING THIS MATTER

SINCERELY,



LINDA BOYD
EXECUTIVE DIRECTOR