

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

HOME OWNERS LONG DISTANCE, INC.)	
)	
_____)	CASE NO. 2001-422
)	
ALLEGED VIOLATION(S) OF KRS 278.535,)	
KRS 278.160 and COMMISSION ORDER)	
ISSUED AUGUST 10, 2000 IN CASE)	
NO. 2000-383)	

O R D E R

Home Owners Long Distance, Inc. ("Home Owners") is a communications provider as defined in KRS 278.535(1)(a) and is subject to the Commission's jurisdiction. Home Owners is a foreign corporation (identification number 0319154), was authorized by the Office of the Secretary of State of the Commonwealth of Kentucky to do business in Kentucky on August 18, 1993, and said authority was revoked on November 1, 2000. The records maintained by the Office of Secretary of State show that the principal place of business is 8647 Wurzbach Road, Building M-I, San Antonio, Texas 78240 and show that the registered agent is CSC-Lawyers Incorporating Service Company, 421 West Main Street, Frankfort, Kentucky 40601.

COUNT I

On or about November 28, 2001, Randall Deaton reported to Commission Staff by telephone that his long-distance carrier had been changed to Home Owners without his authority or permission. Mr. Deaton's telephone number is 606/398-2369.

After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Mr. Deaton by which he

properly authorized the carrier change. KRS 278.145(a) prescribes the statutory procedures for the proper changing of any Kentucky customer's primary telecommunications provider.

COUNT II

On August 10, 2000, in Case No. 2000-383¹, this Commission ordered numerous telecommunications utilities that have filed tariffs to file reports of gross operating revenues and to pay assessments in accordance with KRS 278.140. The Commission identified those utilities in an appendix attached to that Order. Home Owners was one of the identified utilities. As the Order set forth, failure to respond within thirty (30) days would result in revocation of authority to operate in Kentucky without further Order. The 30-day period passed, and Home Owners did not respond. Accordingly, the Commission struck Home Owners' tariff from Commission files and revoked Home Owners' authority to operate in Kentucky.

On September 29, 2000, this Commission also ordered that should a telecommunications provider whose authority had been revoked wish to apply later for authority to provide service in Kentucky, it must pay the assessments owed, pay a \$1,000.00 fine pursuant to KRS 278.990(3), and pay \$25.00 per day for each day the assessment has been overdue. Home Owners has not paid any assessments or fines, has not petitioned the Commission for authority to operate in Kentucky, and has no tariff on file with the Commission as required by KRS 278.160.

¹ Case No. 2000-383, Investigation of the Failure of Certain Non-Dominant Telecommunications Providers to File Reports of Gross Operating Revenues or to Pay Assessments Pursuant to KRS 278.140.

Based upon the foregoing, IT IS HEREBY ORDERED that:

1. Within 30 days of the date of receipt of this Order, Home Owners shall file an answer showing cause why it should not be subject to sanctions for violations of KRS 278.535 and KRS 278.160 as in the allegations stated above. Any answer shall be accompanied by the following:

a. A copy (front and back) of any canceled checks issued to Mr. Deaton.

b. A notarized statement from the local exchange carrier ("LEC") of Mr. Deaton that states Mr. Deaton's name, address, phone number, amount of Home Owners' charges accrued to date and the total amount of the adjustment to his bill after removal of Home Owners' charges, or a notarized statement from the LEC stating Mr. Deaton's name, address, phone number and the total dollar amount paid from the LEC to Home Owners.

c. All documentation supporting any claim by Home Owners that the carrier change was authorized by Mr. Deaton including, but not limited to, a letter of authority ("LOA") or electronically recorded Third Party Verification ("TPV"). If Home Owners is unable to supply such documentation it shall supply a notarized statement of the individual or individuals responsible for obtaining such documentation explaining why such documentation is unavailable.

d. An alphabetized list of all people in Kentucky contacted by Home Owners for the purposes of soliciting long-distance service and the sources from which they gained the names of those persons.

e. All evidence, documents, and a list of witnesses that Home Owners plans to call and/or introduce at a hearing in this matter, together with a brief description of the issues regarding which each witness will testify.

2. Any request for an informal conference with the Commission Staff to consider any matter which would expedite the handling or disposition of this proceeding shall be filed with the Commission no later than 30 days from the date of receipt of this Order.

Done at Frankfort, Kentucky, this 12th day of December, 2001.

By the Commission

ATTEST:


Executive Director