

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

FILING OF TERABLUE, INC. REQUESTING	)	
REINSTATEMENT OF AUTHORITY TO	)	CASE NO.
OPERATE AS A COMPETITIVE LOCAL	)	2009-00216
EXCHANGE CARRIER	)	

O R D E R

By Order dated August 13, 2007 in Case No. 2006-00492,<sup>1</sup> TeraBlue, Inc.'s ("TeraBlue") name was stricken from the Commission's list of utilities authorized to provide service in Kentucky and its tariff was removed from Commission files. That Order provided that certain utilities that had failed to comply with KRS 278.140 should show cause why they should not be subject to penalties for such failure. The Order further provided that, in the absence of such showing made within 30 days, the utilities' authorization to provide service in Kentucky would be revoked without further Order. TeraBlue did not respond within the 30 days.

On July 21, 2009, TeraBlue filed a petition for reinstatement along with a verified settlement agreement and proposed tariff. TeraBlue has offered to pay a total of

---

<sup>1</sup> Case No. 2006-00492, Investigation of the Failure of Certain Utilities to File Gross Operating Reports Required Pursuant to KRS 278.140 (Ky. PSC Aug. 13, 2007).

\$1,500.00 as full settlement.<sup>2</sup> TeraBlue has filed a new tariff it seeks to have approved upon reinstatement.

The Commission does not take lightly the failure of any regulated utility to comply with Kentucky law. In this case, it is particularly disturbing that TeraBlue did not respond to the August 13, 2007 Order and that this matter was only brought to the Commission's attention after TeraBlue filed a complaint with the Commission against Windstream Kentucky East, LLC in 2009.<sup>3</sup> Documents filed by TeraBlue indicate that it was providing service in Kentucky for at least a year prior to the filing of the complaint. TeraBlue indicates that it is prepared to comply with Kentucky law. Thus, the Commission finds good cause to grant TeraBlue's request for reinstatement and accepts TeraBlue's offer of settlement.

IT IS THEREFORE ORDERED that:

1. TeraBlue's offer of settlement is accepted.
2. TeraBlue shall submit two cashier's checks to the Commission. One check in the amount of \$250.00 shall be submitted for the unpaid assessments with interest and a second check in the amount of \$1,250.00 for the penalties imposed pursuant to this Order. Both checks should be made payable to "Kentucky State Treasurer" and mailed to the Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602-0615. The \$250.00 assessment check should include TeraBlue's ID number, which is 5053650.

---

<sup>2</sup> This includes the back assessments owed in the amount of \$240.16, a \$1,000.00 fine as provided for in KRS 278.990(3), and a penalty of \$250.00 as provided for in the August 13, 2007 Order, plus interest.

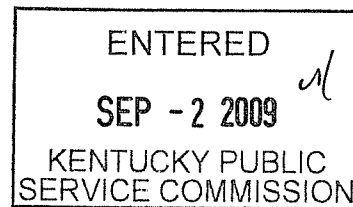
<sup>3</sup> Case No. 2009-00058, TeraBlue, Inc. v. Windstream Kentucky East, LLC.

3. TeraBlue's tariff will be administratively considered after payment is made pursuant to this Order.


4. After TeraBlue has made the appropriate payment and its tariff is reviewed and accepted, TeraBlue shall be authorized to provide service in Kentucky.

5. This case is closed and removed from the Commission's docket.

By the Commission



ATTEST:

  
Executive Director

Kevin S Brooks  
Operations Manager  
TeraBlue, Inc  
304 Winterberry Drive  
Winchester, KY 40391

Sondra Oliver  
Owner  
Tera Blue, Inc.  
304 Winterberry Drive  
Winchester, KY 40391