

BEFORE THE TENNESSEE PUBLIC SERVICE COMMISSION

Nashville, Tennessee

November 22, 1995

**IN RE: INVESTIGATION OF 1994 EARNINGS AND BALANCE IN
THE DEFERRED REVENUE ACCOUNT FOR UNITED
TELEPHONE - SOUTHEAST, INC.**

Docket No. 95-02577

INITIAL ORDER

This matter is before the Tennessee Public Service Commission upon its own motion to investigate and determine the balance in the deferred revenue account for United Telephone - Southeast, Inc. for calendar year 1994.

The matter was set for a Settlement Conference, November 3, 1995, in Nashville, Tennessee, before Ralph B. Christian, II, Administrative Judge, at which time the following appearances were entered:

APPEARANCES:

JAMES WRIGHT, Senior Attorney, United Telephone - Southeast, Inc., 14111 Capital Boulevard, Wake Forest, NC 27587-5900 appearing on behalf of his company.

DAVID W. YATES, Associate Consumer Advocate, 1504 Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee 37243-0500, appearing on behalf of the Consumer Advocate Division.

JEANNE MORAN, General Utility Counsel, Tennessee Public Service Commission, 460 James Robertson Parkway, Nashville, Tennessee 37243-0505, appearing on behalf of the Commission Staff.


JIM JENKINS, AT&T Communications of the South Central States, 511 Union Street, Suite 1010, Nashville, Tennessee 37219.

The parties were able to resolve their differences and reach a settlement. The Settlement Agreement is attached. The agreement reached by the parties does not, however, reach a consensus regarding the disbursal to ratepayers of the \$1.140 million remaining in the deferred revenue account. The parties have agreed not to recommend that the amount be refunded to customers through checks mailed directly to customers. The parties should be directed by the Commission to file proposals to distribute the remaining balance in the deferred account no later than seven days following the Commission's approval of the Settlement Agreement.

WHEREFORE, the Administrative Judge finds that the Settlement is in the public interest and should be approved.

IT IS THEREFORE ORDERED:

1. That the negotiated Settlement Agreement signed by the Parties November 17, 1995, in Docket Number 95-02577 is approved.
2. That the issue regarding the disposition of the agreed Deferred Revenue account balance is reserved for final decision by the Commission.
3. That the Parties are directed to file proposals to distribute the remaining fund balance in the deferred account no later than seven days following the Commission's approval of the Settlement Agreement.


RALPH B. CHRISTIAN, II
ADMINISTRATIVE JUDGE