

Cheryl R. Winn

Attorney At Law

March 13, 2009

RECEIVED

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

MAR 16 2009

**PUBLIC SERVICE
COMMISSION**

RE: An Inquiry Into Universal Service and Funding Issues
Administrative Case No. 360

Dear Mr. Derouen:

On July 23, 2008, the Commission ordered all Eligible Telecommunications Carriers ("ETCs") that were unable to complete their Lifeline audit by August 15, 2008, to submit a status report every 30 days regarding the progress made on concluding the Lifeline audit report. Pursuant to the Commission's July 23 Order, BellSouth Telecommunications Inc. d/b/a AT&T Kentucky ("AT&T Kentucky") submits its final status report on the results of its 2008 audit of Lifeline eligibility.

The AT&T KY Lifeline subscriber file was processed on December 8, 2008. AT&T Kentucky sent letters to those Lifeline subscribers deemed ineligible and requested the customers to provide documentation to continue receiving the Lifeline credit. The results of the 2008 audit are now final and are as follows:

Number of Lifeline Customers	25,507*
Number who did not initially qualify and were sent a request for additional documentation	4,122
Number of Lifeline Customers found to be ineligible	3,278

*These numbers include resale accounts that drop out of the process

If there are any questions concerning AT&T Kentucky's Lifeline audit, please call Jim Tipton at 502.582.8925.

Sincerely,


Cheryl R. Winn

731459

601 West Chestnut Street
Room 407
Louisville, KY 40203

Phone: (502) 582-1475
Fax: (502) 582-1573
Email: cheryl.winn@att.com