BRANDENBURG TELEPHONE COMPANY

200 Telco Drive PO Box 599 Brandenburg, KY 40108 270-422-2121

August 12, 2008

AUG 1 3 2003 PUBLIC SERVICE

Stephanie Stumbo, Executive Director Kentucky Public Service Commission 211 Sower Blvd. PO Box 615 Frankfort, KY 40602

Brandenburg Telephone Company is conducting an annual lifeline audit per PSC Administrative Case No. 360. Of 672 lifeline customers, 509 of the lifeline customers were confirmed with the state of Kentucky Cabinet for Health and Family Services to still be qualified to receive Lifeline benefits. The remaining 163 lifeline customers were sent letters requesting they confirm benefits. The first letter of the audit was sent out on June 24, 2008. A second letter was sent out July 24, 2008 to those who were non-responsive to the first letter.

As of August 12, 2008, 85 have responded, 3 found to be ineligible, 5 have disconnected their telephone service during the audit, and 70 have not responded. Sixty days after the second notice, on September 24, 2008, any lifeline customer who has not responded to the notice will be considered ineligible to continue receiving lifeline benefits.

If you have any questions, please contact me at 270-422-2121.

Signed,

Allison Willoughby Assistant General Manager