



AT&T Kentucky
601 W Chestnut Street
Room 407
Louisville, KY 40203

T: 502 582 8219
F: 502 582 1573
marykeyer@att.com

July 9, 2008

VIA FEDERAL EXPRESS

Ms. Stephanie Stumbo
Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

RECEIVED
JUL 10 2008
PUBLIC SERVICE
COMMISSION

Re: Petition for Arbitration of Momentum Telecom, Inc. with BellSouth Telecommunications, Inc. Pursuant to the Telecommunications Act of 1996
PSC 2006-00058

Dear Ms. Stumbo:

In accordance with the Commission's Order in this docket dated June 10, 2008, BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky and Momentum Telecom, Inc. (collectively "the Parties") hereby file this joint status report.

To date, the Parties have not had the opportunity to fully evaluate the effect of the Commission's final order in Case No. 2004-00427 ("Change of Law Order"), issued January 18, 2008, in the above-referenced docket. The issues in the present docket that were also subjects of the Change of Law Docket are outlined in the Joint Issues Matrix attached to Momentum's Petition for Arbitration, filed on February 8, 2006. After evaluating the effect of the change of law order on these issues, resolving applicable change of law matters implicated in this docket will require incorporation of appropriate language into the interconnection agreement.¹

In addition to the change of law issues, Momentum submitted for arbitration the following four issues, which remain unresolved at this time:

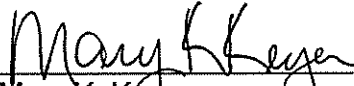
- (33) What is the effective date of the agreement?
- (34) Under what terms and conditions should the Parties be allowed to backbill each other?
- (35) Is Petitioner obligated to reimburse [AT&T Kentucky] for payments made by [AT&T Kentucky] to third party carriers for terminating calls originated by Petitioner?

¹ The Change of Law Order is currently on appeal.

- (36) Should Petitioner be required to waive its right to argue that ambiguity in the subject Interconnection Agreement should be construed against the drafting party?

Given that the Parties have not yet fully analyzed the effect of the Commission's order in Case No. 2004-00427, at this time, the Parties do not request further proceedings in this matter. The Parties respectfully request that the proceeding remain in abeyance until either Party requests the scheduling of a status conference.

Respectfully submitted,



Mary K. Keyer
601 W. Chestnut Street, Room 407
P.O. Box 32410
Louisville, KY 40232
(502) 582-8219 (telephone)

Lisa S. Foshee
John T. Tyler
AT&T Midtown Center - Suite 4300
675 West Peachtree Street, N.E.
Atlanta, GA 30375
(404) 335-0757

COUNSEL FOR BELL SOUTH
TELECOMMUNICATIONS, INC., d/b/a
AT&T KENTUCKY

Douglas F. Brent by MKH with permission

C. Kent Hatfield
Douglas F. Brent
STOLL KEENON OGDEN PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202
(502) 333-6000 (telephone)

Henry Walker
BOULT CUMMINGS CONNERS
BERRY, PLC
1600 Division Street, Suite 700
P.O. Box 340025
Nashville, Tennessee 37203
(615) 252-2363 (telephone)
(615) 252-6363 (fax)

Rick Richardson, General Counsel
MOMENTUM TELECOM, INC.
2700 Corporate Drive, Suite 200
Birmingham, Alabama 35243
(205) 978-4411 (telephone)
(205) 978-4401 (fax)

ATTORNEYS FOR
MOMENTUM TELECOM,
INC.

cc: Parties of Record

715408