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June 1, 2006

VIA HAND DELIVERY

Hon. Beth A. O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

Re: May 30, 2006 Letter of Holland N. McTyeire, V for Request for Commission Mediation Pursuant to 47 U.S.C. Section 252(a)(2) on Behalf of the "CMRS Providers" as Defined in Mr. McTyeire's Letter

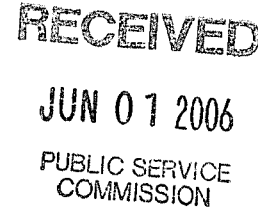
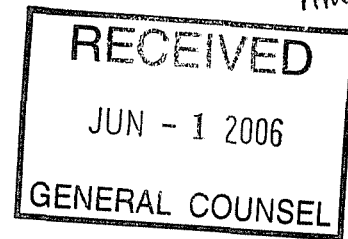
Dear Ms. O'Donnell:

The purpose of this letter is to respond to the above-referenced letter of Holland N. McTyeire, V.

We are legal counsel to Ballard Rural Telephone Cooperative Corporation, Inc., Duo County Telephone Cooperative, Inc., Logan Telephone Cooperative, Inc., and West Kentucky Rural Telephone Cooperative Corporation, Inc. Our response is written on behalf of these rural incumbent local exchange carriers (the "Rural ILECs").

As a primary matter, the Rural ILECs do not agree with the CMRS Providers' characterization of any so-called negotiations having taken place between all of the CMRS Providers and the Rural ILECs within the meaning of the Communications Act of 1996.

Additionally, the Rural ILECs are opposed, at this time, to the collective mediation requested by the CMRS Providers. The Rural ILECs' opposition is based upon four rationales. First, 47 U.S.C. Section 252 (a)(2) does not authorize such collective mediation; the nouns in the statute are written in the singular, not the plural. Second, the Rural ILECs have filed and are in the process of filing individual arbitration petitions against certain of the CMRS Providers. Legal counsel to the Rural ILECs anticipates completing the filing of these arbitration petitions by Monday or Tuesday of next week. If any of the CMRS Providers believes mediation is



appropriate, a request for such mediation should be filed in those individual proceedings, where each request can be orderly addressed in the context of that specific proceeding after, *inter alia*, an evaluation of the issues presented therein. The Rural ILECs object strenuously to being forced to participate in collective mediation in which issues will be negotiated which may or may not be of any significance to each of the Rural ILECs. This would be a substantial waste of their resources. For example, some of the rural incumbent local exchange carriers already have agreement with some of the CMRS Providers and have no reason to participate in such collective mediation. Third, such forced consolidation of the individual arbitration petitions which have been filed and are being filed by the Rural ILECs is **not** authorized by the Communications Act of 1996. The Public Service Commission should not, therefore, in effect, consolidate the Rural ILECs arbitration petitions, some of which have not yet even been filed. Fourth, the Rural ILECs anticipate filing motions in their various arbitration proceedings that may well moot the requests for mediation, collective or individual.

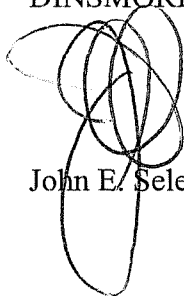
Finally, the Rural ILECs have indicated repeatedly to the CMRS Providers that they will not agree to an extension of the arbitration window. In the absence of such an agreement, no such extension is possible under the Communications Act of 1996. Such an extension is not in the interest of the Rural ILECs, or the public interest, because of the imminent expiration of the Settlement Agreement, in Commission Case No. 2003-0045, at the end of this year. Most significantly, an extension would only further encourage the CMRS Providers' procrastination which has been evident throughout the last three months or so by their almost total lack of attention to the Rural ILECs' request for negotiations.

In conclusion, the CMRS Providers' letter is a collective panic attack occasioned by the Rural ILECs' filing of arbitration petitions which the CMRS Providers were unwilling timely to address, despite knowing of such a probability since 2003 (when the Settlement Agreement was executed), and despite repeated and timely requests for good faith negotiations by the Rural ILECs dating back to the early months of this year.

Thank you, and for the reasons set forth herein, the requests set forth in CMRS Providers' letter of May 30, 2006 should be denied in their entirety at this time.

Very truly yours,

DINSMORE & SHOHL LLP



John E. Selent

JES/mry

cc: Amy E. Dougherty, Esq.

Holland N. McTyeire, Esq.- CMRS Providers

Eileen M. Bodamer, Esq.- Foothills Rural Telephone Coop. Corp., Inc., Coalfields Telephone Company, Inc., Mountain Telephone, Peoples Rural Telephone Cooperative, South Central Rural Telephone Cooperative Corp., North Central Telephone Cooperative Corporation and Thacker-Grisby Telephone Company, Inc.

Allison T. Willoughby - Brandenburg Telephone Company

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