

Dinsmore & Shohl LLP
ATTORNEYS

John E. Selent
502-540-2315
john.selent@dinslaw.com

September 7, 2006

RECEIVED
SEP 07 2006
PUBLIC SERVICE
COMMISSION

Via Hand Delivery

Hon. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40601

Re: Petition of Foothills Rural Telephone Cooperative Corporation, Inc. for Arbitration of Certain Terms and Conditions of Proposed Interconnection Agreement with Cellco Partnership d/b/a Verizon Wireless, GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless, and Kentucky RSA No. 1 Partnership d/b/a Verizon Wireless; Case No. 2006-00292

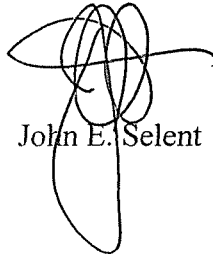
Dear Ms. O'Donnell:

I have enclosed for filing in the above-styled case the original and ten (10) copies of Foothills Rural Telephone Cooperative Corporation, Inc.'s Answers and Responses to CMRS Provider's Information Requests.

Thank you, and if you have any questions, please call me.

Very truly yours,

DINSMORE & SHOHL LLP



John E. Selent

JES/bmt
Enclosure

Hon. Beth O'Donnell
September 7, 2006
Page 2

cc: Kendrick R. Riggs, Esq.
Douglas F. Brent, Esq.

RECEIVED

SEP 07 2006

PUBLIC SERVICE COMMISSION

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

Petition of Foothills Rural Telephone Cooperative)
Corporation, Inc. for Arbitration of Certain Terms)
and Conditions of Proposed Interconnection)
Agreement with Cellco Partnership d/b/a)
Verizon Wireless, GTE Wireless of the)
Midwest Incorporated d/b/a Verizon Wireless, and)
Kentucky RSA No. 1 Partnership d/b/a)
Verizon Wireless, Pursuant)
to the Communications Act of 1934,)
As Amended by the Telecommunications)
Act of 1996)

Case No. 2006-00292

**FOOTHILLS RURAL TELEPHONE COOPERATIVE CORPORATION, INC.'S
ANSWERS AND
RESPONSES TO CMRS PROVIDERS' INFORMATION REQUESTS**

Foothills Rural Telephone Cooperative Corporation, Inc. ("Foothills"), by counsel and pursuant to the July 25, 2006 order of the Kentucky Public Service Commission ("Commission"), hereby answers and responds to the information requests of T-Mobile USA, Inc. Powertel/Memphis, Inc. and T-Mobile Central LLC ("T-Mobile"); and Cellco Partnership d/b/a Verizon Wireless, GTE Wireless of the Midwest Incorporated, and Kentucky RSA No. 1 Partnership ("Verizon Wireless").

GENERAL OBJECTIONS

The following general objections are incorporated by reference, as if fully set forth therein, into the answers and responses provided below.

1. To the extent the Information Requests of the CMRS Providers seek information regarding or otherwise related to the establishment of any rates in the proposed interconnection agreement, Foothills hereby objects that such request(s) are unduly burdensome in light of the fact that, as noted in previous filings in this matter, Foothills has not previously conducted or been required to conduct the TELRIC studies mandated by the Commission's July 25, 2006 order

(the "Order") in this matter. Foothills has moved the Commission to bifurcate this matter into cost/price and non-cost/non-price matters, with the former category to proceed on a separate procedural tack to be established. In light of that request and the rationales therefor, Foothills proposes that such requests be answered or responded to consistent with the separate procedural schedule requested in Brandenburg's motion to bifurcate.

2. The Company objects to the issue headings included in the CMRS Providers' information requests (and repeated in response, below) because they do not accurately reflect the issue(s) involved in this matter.

INFORMATION REQUESTS

General

1.1 Excluding the CMRS Providers, please identify each Telecommunications Carrier to whom you (or another carrier using your facilities) have originated any Telecommunications Traffic or from whom you have terminated any Telecommunications Traffic either directly or indirectly during the past 12 months pursuant to a written agreement. If the written agreement was filed with the Commission, identify the Docket No. and sufficient additional detail to permit a copy of such agreement, including any and all amendments thereto, to be requested and obtained from the Commission. If the agreement has not been filed with the Commission, please provide a copy of such agreement, as well as all amendments thereto.

ANSWER: The Company objects that the phrases "or another carrier using your facilities" and "either directly or indirectly" are vague and ambiguous. Without waiving its objection, the Company refers the CMRS Providers to the chart attached as Exhibit 1.

1.2 Excluding the CMRS Providers, please identify each Telecommunications Carrier to whom you (or another carrier using your facilities) have originated any Telecommunications Traffic or from whom you have terminated any Telecommunications Traffic either directly or indirectly during the past 12 months without the benefit of a written agreement.

ANSWER: The Company objects that the phrases "or another carrier using your facilities" and "either directly or indirectly" are vague and ambiguous. The Company further objects that this interrogatory is overbroad and unduly burdensome. Without waiving its objection, the Company refers the CMRS Providers to the charts attached hereto as Exhibit 1.

1.3 For each Telecommunications Carrier identified in response to Interrogatory 1.2, please identify whether the traffic is being originated or terminated based upon agreed terms and,

if so, please identify any agreed upon rate for the termination and/or transport of such traffic, traffic ratio(s) and (if the Telecommunications Carrier is a CMRS carrier) interMTA factor(s).

ANSWER: The Company incorporates by reference, as if fully set forth herein, its objections to Interrogatory 1.2. The Company further objects that the phrase "agreed terms" is vague and ambiguous. Without waiving its objection, the Company refers the CMRS Providers to the charts attached as Exhibit 1. In addition, where applicable, the Company refers the CMRS Providers to the corresponding interconnection agreements filed with the Commission and accessible through the Commission's website.

1.4 Please identify each Telecommunications Carrier identified in response to Interrogatory 1.1 or 1.2 that is either an Affiliate to you, or is an Affiliate to another person or entity to which you are also an Affiliate.

ANSWER: The Company incorporates by reference, as if fully set forth herein, its objections to Interrogatories 1.1 and 1.2. The Company further objects that this interrogatory is overbroad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence insofar as it seeks the identify of Affiliates of Affiliates. Without waiving its objections, the Company identifies Foothills Long Distance and Appalachian Wireless.

1.5 Provide the names of all Telecommunications Carriers with which you currently exchange any traffic on a bill and keep basis.

ANSWER: The Company refers the CMRS Providers to the chart attached as Exhibit 1.

1.6 Identify all of your Affiliates, and the Telecommunications, information, or cable services provided by all such Affiliates. Identify any Affiliate that offers intra-lata toll, IXC, cable, wireless or information services to your landline customers.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company refers the CMRS Providers to its answer to Interrogatory 1.4.

1.7 Identify each tandem owned by you and state whether each tandem is located in the same or a different building as your end office switch. If the tandem is located in the same building as an end office switch, identify the end office switch by CLI code.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead the discovery of admissible evidence. Without waiving its objection, the Company refers the CMRS Providers to the charts attached hereto as Exhibit 1. The Company further refers the CMRS Providers to information available in the Local Exchange Routing Guide ("LERG") and the Commission's website.

1.8 Identify all of your tandem or end office switches connected to a BellSouth tandem, and the type of trunks (e.g., one-way, two-way, Feature Group C) between the two switches.

ANSWER: The Company objects that this interrogatory is overbroad and unduly burdensome. Without waiving its objection, refers the CMRS Providers to the charts attached as Exhibit 1.

1.9 Complete the form attached as Exhibit 1, providing the requested information for each exchange in which you are certificated to provide Telecommunications Service as an incumbent local exchange carrier. Provide your response in electronic form.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company refers the CMRS Providers to the charts attached as Exhibit 1. In addition, see information readily available in the Local Exchange Routing Guide ("LERG") and the Commission's website.

1.10 Provide a network diagram for your network showing your switches, transmission nodes, interoffice routes, intercompany transmission facilities, feeder facilities and call record data collection points. Include capacity and in-service plant associated with each switch, node, route, and/or facility.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company refers the CMRS Providers to the charts attached as Exhibit 1. In addition, see information readily available in the Local Exchange Routing Guide ("LERG") and the Commission's website.

1.11 Complete the form attached as Exhibit 2, providing the requested local calling and EAS calling information for each exchange you serve. Provide your response in electronic form.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company refers the CMRS Providers to the charts attached as Exhibit 1. In addition, see information readily available in the Local Exchange Routing Guide ("LERG") and the Commission's website.

Issue # 2: Should the Interconnection Agreement apply to traffic exchanged directly, as well as through traffic exchanged indirectly through BellSouth or any other intermediary carrier?

1.12 Excluding the CMRS Providers, please identify each Telecommunications Carrier (1) with whom you have not established direct interconnection trunks, and (2) to whom you have originated any Telecommunications Traffic or from whom you have terminated any Telecommunications Traffic during the past 12 months.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects that the phrase "direct interconnection trunks" is unduly vague and ambiguous. Without waiving its objections, the Company incorporates its answers to Interrogatories 1.1 and 1.2 as if fully restated herein.

1.13 Please identify where (i.e., physical interconnection location(s)) and describe how (i.e., type of trunk group, and nature of traffic currently exchanged over each trunk group) Respondent's network is currently interconnected with the BellSouth network.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company refers the CMRS Providers to the charts attached as Exhibit 1. In addition, see information readily available in the Local Exchange Routing Guide ("LERG") and the Commission's website.

1.14 Identify any technical limitations on your ability to continue to receive traffic from the CMRS Providers on facilities that are carrying that traffic today (i.e., via the BellSouth network). Identify any technical limitations on your ability to deliver locally-dialed traffic to the CMRS Providers via the BellSouth network. If you contend that you need to install any additional facilities or augment any existing facilities in order exchange traffic indirectly with the CMRS Providers after January 1, 2007, describe in detail the facilities and state why they are necessary.

ANSWER: The Company objects that this interrogatory is overly broad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects that the phrases "technical limitations," "ability to continue to receive traffic," "facilities that are carrying that traffic today," "deliver locally-dialed traffic," "via the BellSouth network," "install any additional facilities," "augment any existing facilities," "exchange traffic indirectly" are vague and ambiguous. Without waiving its objections, the Company states that traffic delivery depends upon adequate capacity and appropriate network routing.

1.15 Does BellSouth currently combine CMRS Provider traffic with other traffic types and deliver such combined traffic to you over the same trunk group(s)? If so, please identify each trunk group over which combined traffic is delivered to you by BellSouth, and each type of traffic that you contend BellSouth has combined for delivery over that trunk group.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects that the phrase "trunk group" is vague and ambiguous. The Company further objects that it cannot answer a question directed at the practices of a non-party to this proceeding because it has no direct knowledge of that non-party's practices. Without waiving its objections, the Company refers the CMRS Providers to the charts attached hereto as Exhibit 1.

1.16 Identify any IXC that obtains access to your network without connecting directly to your network. For each IXC identified, provide the tandem to which it is connected.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects that the phrase "connecting directly to your network" is unduly vague and ambiguous. Without waiving its objections, the Company refers the CMRS Providers to the charts attached hereto as Exhibit 1.

1.17 Describe the negotiations that you have engaged in with BellSouth pursuant to Section 3.01 of the settlement agreement attached as Exhibit 1 to your petition. Provide all documents exchanged between you and BellSouth in conjunction with such negotiations, and identify the terms you have proposed "to govern BellSouth's provision of transit ... with respect to any continuing CMRS provider traffic" after January 1, 2007.

ANSWER: The Company objects that this interrogatory is overly broad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to any characterization implying that it had an obligation to: (i) enter into any negotiations with BellSouth; or (ii) transit any CMRS traffic after January 1, 2007. Without waiving its objections, the Company states that it has received letters from BellSouth in the general form of the attached documents.

Issue # 3: Does the Interconnection Agreement apply only to traffic within the Commonwealth of Kentucky?

1.18 Describe any technical reasons why the parties should exchange only intrastate traffic pursuant to the Interconnection Agreement.

ANSWER: The Company objects that the phrase "technical reasons" is vague and ambiguous. The Company further objects to the mischaracterization that CMRS negotiations ever progressed to a point where an issue such as this could have been negotiated. Without waiving its objections, the Company states that the interconnection agreement was designed (as are all interconnection agreements) to address the terms and conditions for the exchange of local traffic within the Company's local exchange area.

Issue # 4: Should the Interconnection Agreement apply to fixed wireless services?

1.19 Define the term "fixed wireless services" as used in your proposed Interconnection Agreement and identify legal authority on which you rely to argue that such services would not subject to the Interconnection Agreement.

ANSWER: The Company objects that discovery is designed to permit a party to discover the potential existence of admissible evidence, not to obtain legal research at the burden of the responding party, and this interrogatory is therefore not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to this interrogatory on the ground that, to the extent that the CMRS Providers do not offer what is commonly understood in the industry to be fixed wireless services, this interrogatory is not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company states that fixed wireless services is a commonly understood term in the telecommunications industry, and the Company's proposed use of that term corresponds to typical industry usage.

Issue # 6: Can the RLECs use industry standard records (e.g., EMI 11-01-01 records provided by transiting carriers) to measure and bill CMRS Providers for terminating mobile-originated Telecommunications Traffic?

1.20 Do you currently have the capability to accurately measure CMRS-originated traffic delivered to you through a third party's tandem?

ANSWER: The Company objects that this interrogatory is not relevant to the subject matter of the present action and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to any implication that it has an obligation (after the expiration of the parties' settlement agreement) to accept transit traffic from a third-party. Without waiving its objections, the Company states that it does not have such capability.

1.21 If the answer to Interrogatory 1.20 is yes, name and describe the hardware/software providing such capability.

ANSWER: Not Applicable.

1.22 For each type of traffic that BellSouth delivers to you, please state what call detail information BellSouth provides to you, if any, that identifies such traffic by traffic type, message quantity, call duration, or originating party.

ANSWER: The Company objects that this interrogatory is overly broad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to any implication that it has an obligation (after the expiration of the parties' settlement agreement) to accept transit traffic from a third-party. Without waiving its objections, the Company states that BellSouth's obligations with respect to delivery of CMRS traffic data should be consistent with the terms of the existing CMRS settlement agreement attached to the Companies petition in this matter.

1.23 Have you ever received from BellSouth or another third party a report (regardless of format) listing minutes of use of traffic that you have terminated from a Telecommunications Carrier with whom you have not established direct interconnection trunks? If so, please provide a copy of such report for the most recent one-month period.

ANSWER: The Company objects that this interrogatory is unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to any implication that it has an obligation (after the expiration of the parties' settlement agreement) to accept transit traffic from a third-party. The Company further objects that the phrase "direct interconnection trunks" is vague and ambiguous. Without waiving its objections, the Company refers the CMRS Providers to the response to Interrogatory No. 1.22.

1.24 If the answer to Interrogatory 1.23 is "no," has BellSouth or another third party ever offered to provide such a report to you? If so, identify the terms of the offer made to you.

ANSWER: The Company objects that this interrogatory is overly broad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to any implication that it has an obligation (after the expiration of the parties' settlement agreement) to accept transit traffic from a third-party. Without waiving its objections, the Company refers the CMRS Providers to the response to Interrogatory 1.22.

1.25 If you continue to receive the call detail information you currently receive, or if you were to receive the call detail information that has been offered to you, can you use that information to bill the CMRS Providers for terminating traffic?

ANSWER: The Company objects that this interrogatory is not relevant to the subject matter of the present action and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to any implication that it has an obligation (after the expiration of the parties' settlement agreement) to accept transit traffic from a third-party. Without waiving its objections, the Company states that the billing records supplied by BellSouth pursuant to the parties' CMRS settlement agreement have not, historically, been accurate.

Issue # 8: Pursuant to 47 C.F.R. § 51.703 and 51.709, what are the Parties' obligations to pay for the costs of establishing and using direct interconnection facilities?

1.26 How do you propose to share facilities costs if one of the CMRS Providers directly connects with you?

ANSWER: The Company objects that the phrases "share facilities costs" and "directly connects" are vague and ambiguous. Without waiving its objection, the Company refers the CMRS Providers to the template interconnection agreement that was attached to the arbitration petition.

1.27 Do you currently share with BellSouth the cost of the facilities used for direct interconnection between BellSouth and you?

ANSWER: The Company objects that this interrogatory is not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to any implication that it has an obligation (after the expiration of the parties' settlement agreement) to accept transit traffic from a third-party. The Company further objects that the word "share," and the phrases "cost of the facilities" and "direct interconnection" are vague and ambiguous. Without waiving its objections, the Company states that BellSouth purchases trunks pursuant to the Company's applicable state access tariff.

1.28 If the answer to Interrogatory 1.27 is yes, describe the nature of the sharing arrangement, and provide copies of all documents explaining or describing that sharing arrangement.

ANSWER: Not Applicable.

Issue # 10: Is each RLEC required to develop a company-specific, TELRIC-based rate for transport and termination, what should that rate be for each RLEC, and what are the proper rate elements and inputs to derive that rate?

1.29 Provide your most recent interstate and intrastate access cost studies.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to any implication that it has ever been obligated under applicable federal law to perform cost studies in relation with the proposed interconnection. In addition, the Company objects on the grounds that it seeks confidential, proprietary information. Without waiving its objections, the Company states that it has never performed TELRIC studies.

1.30 If your rates are not reflected in NECA Tariff F.C.C. No. 5, please identify your interstate switched access rates for local switching, tandem switched facility, tandem switched termination, and tandem switching.

ANSWER: Not applicable.

1.31 Provide a copy of each “response to the RTCs’ recent inquiries of available consultants” referenced in the Prefiled Direct Testimony of Steven E. Watkins. Provide a copy of any other inquiries of consultants since January of 2004 related to the preparation of network cost studies.

ANSWER: The Company objects that this interrogatory is overly broad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects that the phrases "inquires of consultants" and "preparation of network cost studies" are vague and ambiguous. The Company further objects to any implication that communications are always written or documented in some manner. Without waiving its objections, the Company states that it has made no such inquiries.

1.32 With regard to page 5 of the Prefiled Direct Testimony of Steven E. Watkins in Case No. , provide a complete citation to any and all FCC Orders or court decisions that support Mr. Watkins’ conclusion that “there is an equally evolving policy recognition that so-called ‘TELRIC’ studies are problematic and should be abandoned.”

ANSWER: The Company objects that discovery is designed to permit a party to discover the potential existence of admissible evidence, not to obtain legal research at the burden of the responding party, and this interrogatory is therefore not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company states that Mr. Watkins's testimony contains relevant citations.

1.33 With regard to page 7 of the Prefiled Direct Testimony of Steven E. Watkins, provide a complete citation to any and all FCC Orders or court decisions that support Mr. Watkins’ conclusion that “the FCC also doubts, as a fundamental matter, the efficacy of the TELRIC study approach.”

ANSWER: The Company objects that discovery is designed to permit a party to discover the potential existence of admissible evidence, not to obtain legal research at the burden of the responding party, and this interrogatory is therefore not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company states that Mr. Watkins's testimony contains relevant citations.

1.34 Provide a listing and complete description of all network functionalities or elements that comprise “transport and termination” as that term is used in Mr. Watkins’

testimony. If “transport and termination” can be comprised of more than one possible combination of network functionalities or elements, provide a description of all such combinations.

ANSWER: The Company objects that this interrogatory and request for production is overly broad and unduly burdensome. The Company further objects that the phrase "transport and termination" is widely utilized in the telecommunications industry, and Mr. Watkins' usage of that terminology in his testimony is consistent with that typical industry usage. \

1.35 With regard to the answer to the question posed on page 13 of the Prefiled Direct Testimony of Steven E. Watkins, is it Mr. Watkins’ position that the unit costs of interstate access are based on total minutes of use for a given network functionality (including both access and non-access minutes)? If the answer is anything other than an unqualified “no,” explain in detail the basis for Mr. Watkins’ position.

ANSWER: The Company objects that the phrase "unit costs of interstate access are based on total minutes of use for a given network functionality (including both access and non-access minutes)" is vague and ambiguous. Without waiving its objection, the Company states that it is Mr. Watkins' understanding that interstate access rate elements are based on relative usage cost studies that separate and identify interstate access costs of the companies and that the rates are developed by dividing the interstate access costs by the interstate access usage for each element. Interstate usage is access usage. The total network costs of the ITCs are not considered in the development of intrastate and interstate rates because a portion of the ITCs’ costs are allocated and recovered via Universal Service sources. If the total company network costs of a particular functional network element of an ITC (e.g., transport or end office switching) were divided by the total intrastate and interstate usage of that functional element, the answer would not be the same as the interstate access rate determination.

1.36 With regard to any cost testimony you file on August 23 (in accordance with the Commission’s August. 18 Order), a) identify and provide all documents on which you rely to support any conclusions drawn, b) identify and provide all documents reviewed by the witness in preparing the testimony, c) identify and provide all documents exchanged between you and the witness, and d) identify and provide all documents exchanged between your attorneys or consultants and your witness.

ANSWER: The Company objects that no cost testimony was filed on August 23. The Company further objects that this interrogatory and request for production is overbroad, unduly burdensome, and it seeks information and documentation subject to the attorney-client and attorney work product privileges.

Issue # 12: Should the Interconnection Agreement provide both reciprocal and net billing options?

1.37 Why do you oppose preparing and sending a net bill for intercarrier compensation? Provide the terms of any arrangements whereby you currently “net bill” intercarrier compensation with any Telecommunications Carrier with whom you exchange traffic?

ANSWER: The Company objects to the mischaracterization that CMRS negotiations ever progressed to a point where an issue such as this could have been negotiated. The Company further objects that the phrase "net bill" is vague and ambiguous. The Company further objects that this discovery request is overly broad and unduly burdensome.

Issue # 13: If a CMRS Provider does not measure intercarrier traffic for reciprocal compensation billing purposes, what intra-MTA traffic factors should apply?

1.38 Identify any CMRS Provider that bills you for intraMTA traffic by the application of a percentage factor to your bill to the CMRS Provider.

ANSWER: The Company objects to this interrogatory as unduly burdensome and harassing insofar as it seeks information regarding the CMRS Providers' billing practices. Without waiving this objection, the Company states that the CMRS Providers should be in possession of information sufficient to answer this discovery request without the assistance of the Company.

1.39 If you have done studies to determine the number of minutes of (a) Telecommunications Traffic (which term includes land-to-mobile intraMTA traffic routed via IXC) originated by your landline customers and delivered to a CMRS Provider and/or (b) Telecommunications Traffic originated by a CMRS Provider respectively and terminated to you, provide copies of all such studies, including the number of minutes, timeframe, and supporting data.

ANSWER: The Company objects that this interrogatory is overly broad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company states that it has not conducted any such traffic studies.

Issue # 15: What is the appropriate compensation for interMTA traffic?

1.40 State how you propose the parties compensate each other for interMTA traffic that may exchanged under the Interconnection Agreement.

ANSWER: The Company refers the CMRS Providers to the template interconnection agreement that was attached to the arbitration petition.

1.41 Do you have the capability to determine whether any specific mobile-to-land or land-to-mobile call is originated and terminated in different MTAs? If so, explain how that determination would be made.

ANSWER: The Company objects that this interrogatory is not relevant to the subject matter of the present action and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects that the terms "originated" and "terminated" are unduly vague and ambiguous as used herein. Without waiving its objections, the Company states that it is presently unable to determine the physical whereabouts of an end-user of the CMRS Providers when that end-user calls an end-user of the Company.

Issue # 16: Are the RLECs required to provide dialing parity (in terms of both numbers of digits dialed and rates charged) for land to mobile traffic?

1.42 Identify the facilities that are used to carry traffic between your exchanges and the carriers with numbers in associated EAS exchanges.

ANSWER: The Company objects that this interrogatory is overbroad, unduly burdensome, not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects that the word "facilities" is vague and ambiguous. Without waiving its objections, the Company refers the CMRS Providers to the charts attached hereto as Exhibit 1.

1.43 Identify any technical limitations on your ability to allow your customers to dial a local CMRS Provider number (i.e. a number in your exchange or associated EAS exchange) without dialing more digits or paying more charges than if the call had been made to an ILEC customer with a number in the same exchange as the CMRS Provider number.

ANSWER: The Company objects that the phrases "technical limitations" and "local CMRS Provider number" are vague and ambiguous. The Company further objects that this interrogatory seeks the mental impressions of counsel and other information and advice that is subject to the attorney-client and attorney work product privileges. The Company further objects to any implication that it is required or able to exchange traffic with a third-party intermediary. Without waiving its objections, the Company states that the ability of its end-users to place local calls to CMRS Provider end-users is dependent upon the existence of appropriate interconnection terms, conditions, and facilities. Given the impending expiration of the CMRS settlement agreement and the ongoing arbitration proceeding, this interrogatory does not provide enough information for the Company to answer.

1.44 If a CMRS Provider has not established direct interconnection trunks with you, will you allow your customers to make a local call to a CMRS Provider number assigned in the originating exchange or EAS area?

ANSWER: The Company objects that the phrase "direct interconnection trunks" is vague and ambiguous. The Company further objects that this interrogatory seeks the mental impressions of counsel and other information and advice that is subject to the attorney-client and

attorney work product privileges. The Company further objects to any implication that it is required or able to exchange traffic with a third-party intermediary. Without waiving its objections, the Company states that the interrogatory does not provide enough information for the Company to answer.

1.45 Do you perform an N-1 LRN query? If yes, is it from the end office or the tandem? If no, does another carrier perform the N-1 query for you?

ANSWER: The Company objects that this interrogatory is not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objection, the Company states as follows. Without waiving its objections, for its response to this Interrogatory the Company states that BellSouth performs the N-1 LRN queries on the Company's behalf.

1.46 If your company does not perform the N-1 LRN query, how does it determine which calls to place on direct trunks?

ANSWER: The Company objects that this interrogatory not relevant to the subject matter of the pending action, and not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects that the phrase "direct trunks" is unduly vague and ambiguous. Without waiving its objections, the Company refers the CMRS Providers to its answer to Interrogatory 1.45.

Issue # 18: Should RLEC tariff provisions be incorporated into the contract?

1.47 Identify all tariff provisions you propose be incorporated into the Interconnection Agreement.

ANSWER: The Company refers the CMRS Providers to the template interconnection agreement that was attached to the arbitration petition.

Issue # 19: Under what circumstances should a Party be permitted to block traffic or terminate the Interconnection Agreement?

1.48 If a CMRS Provider does not establish direct interconnection trunks with you, do you intend to block inbound or outbound CMRS Provider traffic?

ANSWER: The Company objects that the phrase "direct interconnection trunks" and the word "block" are vague and ambiguous. The Company further objects that this interrogatory seeks the mental impressions of counsel and other information and advice that is subject to the attorney-client and attorney work product privileges. The Company further objects to any implication that it is required or able to exchange traffic with a third-party intermediary. Without waiving its objections, the Company states that the interrogatory does not provide enough information for the Company to answer.

1.49 Identify the circumstances, if any, in which you believe traffic blocking is appropriate.

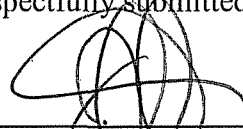
ANSWER: The Company incorporates by reference, as if fully set forth herein, its answer to Interrogatory 1.48.

Issue # 24: Should the CMRS Providers be required to provide "rolling" six months' forecasts of "traffic and volume" requirements?

1.50 Identify why traffic and volume forecasts are necessary, what they would include, and why they need to be provided on a "rolling" six months' basis?

ANSWER: The Company refers the CMRS Providers to the template interconnection agreement that was attached to the arbitration petition. The Company further states that forecasts are a typical component of network planning and, as the CMRS Providers should be aware, a typical component of interconnection agreements. Rolling forecasts provide the most accurate picture of anticipated network needs.

Respectfully submitted,



John E. Selent
Holly C. Wallace
Edward T. Depp
DINSMORE & SHOHL LLP
1400 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202
(502) 540-2300 (telephone)
(502) 585-2207 (fax)

**COUNSEL TO Foothills Rural
Telephone Cooperative
Corporation, Inc.**

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was on this 7th day of September, 2006 served via United States mail, postage prepaid upon the following:

Kendrick R. Riggs, Esq.
Douglas F. Brent, Esq.
Stoll Keenon Ogden PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202
kendrick.riggs@skofirm.com
douglas.brent@skofirm.com

Counsel to T-Mobile and Counsel to Verizon



**COUNSEL TO Foothills Rural
TELEPHONE COOPERATIVE
CORPORATION, INC.**

BellSouth Telecommunications, Inc.
600 North 19th Street
8th Floor
Birmingham, AL 35203

December 7, 2005

Greg Hale – General Manager
Logan Telephone Cooperative
10725 Bowling Green Road
P. O. Box 97
Auburn, KY 42206-0097

Dear Mr. Hale:

In accordance with Section 3.01 of the CMRS transit traffic Settlement Agreement, approved by the Kentucky Public Service Commission in Case No. 2003-00045, and effective May 1, 2004, BellSouth and the Rural LEC's are to begin by January 1, 2006, negotiations necessary to govern BellSouth's provision of transit service with respect to any CMRS Provider traffic terminated to the Rural LECs after the expiration of the Settlement Agreement. The Agreement further states that in the event that any Signatory CMRS Provider desires to continue to route CMRS Provider traffic destined for the Rural LEC's through BellSouth's network after the expiration of the Agreement on December 31, 2006, the Signatory CMRS Provider must initiate interconnection negotiations with the Rural LEC's consistent with Section 251 and Section 252 of the Act by no later than January 1, 2006.

Agreements reached between the Rural LECs and Signatory CMRS Providers as a result of the negotiations scheduled to commence on the earlier of the date of request by the Signatory CMRS Providers or January 1, 2006, will govern the exchange of traffic between the Signatory CMRS Providers and the Rural LECs through BellSouth's network. Because those negotiations will be deemed to have commenced no later than January 1, 2006, negotiations and any potential arbitrations should be complete by December 31, 2006. However, in accordance with Section 3.01 of the Settlement Agreement, BellSouth is also willing to negotiate transit traffic arrangements with the Rural LECs. Any such negotiations should address any traffic between a third party carrier and the Rural LEC that utilizes BellSouth's network, regardless of who originates or terminates the call.

Please feel free to call me on 205-321-2013 to schedule an initial meeting regarding the negotiations.

Sincerely,



Gene Lunceford
Account Manager
BellSouth Telecommunications

July 14, 2006

To: All Kentucky ICO's
From: Gene Lunceford, BellSouth Telecommunications
Subject: Transit Traffic in Kentucky

On December 7, 2005, I wrote to you concerning the CMRS transit traffic Settlement Agreement. I appreciate the response from many of you that indicated your intent to negotiate new agreements with the CMRS providers in Kentucky. Hopefully, these negotiations are progressing successfully.

Several of the letters I received from you expressed the expectation that BellSouth would inform the CMRS providers that BellSouth would no longer provide intermediary services unless contracts were in place between the CMRS providers and independent companies after December 31, 2006. To ensure that traffic will flow between carriers as intended for the benefit of all end user customers, BellSouth will not block traffic unless ordered by a state Public Service Commission to do so.

In addition, there are no provisions for BellSouth to pay for the termination of traffic between CMRS providers and independent companies after December 31, 2006, the termination date for the existing agreement. Provisions for the payment of this terminating traffic should be negotiated between the carriers who originate and terminate the traffic in question. The Settlement Agreement provides verbiage on an arbitration process if negotiations with the CMRS providers prove to be unsuccessful.

We would like to propose a meeting with the independent companies in Kentucky to discuss and negotiate CMRS transit traffic and related transit traffic issues. We are open to an industry meeting, meeting with a representative group of ICO's or meeting with an ICO representative. Please let me know by July 28, 2006 how you would like to proceed and when would be a convenient time for a meeting.

Sincerely,

Gene Lunceford

Gene Lunceford
Account Manager
BellSouth Telecommunications
205-321-2013



BellSouth Telecommunications, Inc.
Interconnection
600 North 19th Street
8th Floor
Birmingham, AL 35203

August 18, 2006

Tom Preston -- General Manager
Foothills Telephone Cooperative
1621 Kentucky Route 40W
Staffordsville, KY 41256

Dear Mr. Preston:

I have not yet received a response from your company to the letter I sent to you on July 14, 2006, a copy of which I enclose for your convenience.

As I indicated in that letter, there are no provisions for BellSouth to pay for the termination of traffic between CMRS providers and independent companies after December 31, 2006, the termination date for the existing agreement. While we remain hopeful that negotiations and/or arbitration with the CMRS providers will result in a satisfactory compensation arrangement, the existing agreement also calls for BellSouth and the independent companies to negotiate a transit arrangement. Therefore, as I have previously requested, we need to discuss and negotiate the transit traffic issues we have before the end of the year.

In a good faith effort to get these negotiations started, I am enclosing a draft Third Party Traffic Agreement relating to transit traffic issues for your review and consideration. Please send me any comments you have on the agreement. Additionally, in a further attempt to get our negotiations started, I am offering to host a meeting in Louisville, Kentucky at 10:00 AM EST on October 11, 2006 with the independent companies in Kentucky to discuss the enclosed agreement. If this time is not convenient for you, please provide me with an alternative date and time. If you would like me to negotiate with a representative on your behalf, please provide me with the name and contact information for that individual, and I will contact him or her directly.

Please confirm by September 15 that you or your representative will be available on October 11 for these discussions or provide me with further information on how you would like to proceed. Upon receiving confirmation from you that you or your representative will be able to meet on October 11, I will finalize the meeting arrangements.

I look forward to our discussions and to our successful negotiation of these matters.

Sincerely,

A handwritten signature in cursive script that reads "Gene Lunceford".

Gene Lunceford
Account Manager
BellSouth Telecommunications
205-321-2013

Enclosures

July 14, 2006

To: All Kentucky ICO's
From: Gene Lunceford, BellSouth Telecommunications
Subject: Transit Traffic in Kentucky

On December 7, 2005, I wrote to you concerning the CMRS transit traffic Settlement Agreement. I appreciate the response from many of you that indicated your intent to negotiate new agreements with the CMRS providers in Kentucky. Hopefully, these negotiations are progressing successfully.

Several of the letters I received from you expressed the expectation that BellSouth would inform the CMRS providers that BellSouth would no longer provide intermediary services unless contracts were in place between the CMRS providers and independent companies after December 31, 2006. To ensure that traffic will flow between carriers as intended for the benefit of all end user customers, BellSouth will not block traffic unless ordered by a state Public Service Commission to do so.

In addition, there are no provisions for BellSouth to pay for the termination of traffic between CMRS providers and independent companies after December 31, 2006, the termination date for the existing agreement. Provisions for the payment of this terminating traffic should be negotiated between the carriers who originate and terminate the traffic in question. The Settlement Agreement provides verbiage on an arbitration process if negotiations with the CMRS providers prove to be unsuccessful.

We would like to propose a meeting with the independent companies in Kentucky to discuss and negotiate CMRS transit traffic and related transit traffic issues. We are open to an industry meeting, meeting with a representative group of ICO's or meeting with an ICO representative. Please let me know by July 28, 2006 how you would like to proceed and when would be a convenient time for a meeting.

Sincerely,

Gene Lunceford

Gene Lunceford
Account Manager
BellSouth Telecommunications
205-321-2013

**EAS TRAFFIC AGREEMENT BETWEEN
BELLSOUTH TELECOMMUNICATIONS, INC.
AND
FOOTHILLS RURAL TELEPHONE COOPERATIVE CORPORATION, INC.**

EAS TRAFFIC AGREEMENT

Table of Contents

	Introduction - EAS Traffic Agreement
	Recitals
1.0	Definitions
2.0	Term and Termination of the Agreement
3.0	Exchange of Extended Area Service Traffic
3.1	Scope
3.2	Excluded Traffic
3.3	Intermediary Functions
3.4	Compensation Arrangements
3.5	Method of Connection
3.6	Trunk Groups
3.7	Usage Determination
3.8	Signaling
4.0	Notice of Changes
5.0	Auditing Procedures
6.0	Ordering Provision and Billing of All Services
7.0	Taxes
8.0	Liability and Indemnification
9.0	Force Majeure
10.0	Treatment of Proprietary and Confidential Information
11.0	Resolution of Disputes
12.0	Waivers
13.0	Governing Law
14.0	Notices
15.0	Compliance with Laws and Regulations
16.0	Headings of No Force or Effect
17.0	Entire Agreement
18.0	Independent Contractors
19.0	No Third Party Beneficiaries
20.0	Assignability
21.0	Joint Work Product
22.0	Severability
23.0	Regulatory Approval
24.0	Counterparts, Construction

Foothills.doc (7/17/97)

1

Area Service (EAS) calls with telecommunications end users in other specific local service areas; and

WHEREAS, the specific local service areas between which customers of the Parties exchange EAS calls are each separate and mutually exclusive geographic areas; and

WHEREAS, the Parties desire to continue EAS calling between end users located in different local service areas on fair and equitable terms;

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, BellSouth and Foothills Rural Tel. Coop. agree as follows:

Foothills.doc (7/17/97)

2

Foothills.doc (7/17/97)

3

1.9 "Local Exchange Carrier" ("LEC") means any common carrier authorized to provide exchange and exchange access services.

1.10 "Multi-frequency" means a signaling system for use between switching systems which uses a method of sending pulses over a circuit by using one pair of tones from a total set of five tones to encode each digit.

1.11 "Point of Connection" or "POC" is a mutually agreed upon point of demarcation where the exchange of EAS traffic between two Parties takes place.

1.12 "Telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

2.0 Term and Termination of the Agreement

The initial term of this Agreement shall be two (2) years from July 1, 1997, from the date of, execution and shall then automatically renew on a year-to-year basis. Upon expiration of the initial term, either Party may terminate this Agreement by providing written notice of termination to the other Party, with such written notice to be provided at least sixty (60) days in advance of the date of termination. In the event of such termination, those service arrangements made available under this Agreement and existing at the time of termination shall continue without interruption under one of the following as agreed to by the Parties: (a) a new agreement is executed; or (b) the terms of this Agreement continue on a month-to-month basis until an arbitration proceeding has been concluded by the Parties but in no event would the month-to-month arrangement terminate in less than nine (9) months from the date of termination.

3.0 Exchange of Extended Area Service Traffic

3.1 Scope.

This Agreement sets forth the terms and conditions under which the Parties agree to exchange certain EAS traffic between their respective facilities-based networks. The exchange of EAS under this Agreement only applies when both Parties own and operate landline network facilities in the Local Service Areas that are the subject of this Agreement. This Agreement does not apply to the exchange of any other types of traffic. The specific Local Service Areas that are the subject of this Agreement between which customers will be provided EAS calling services and the specific geographic areas encompassed by these specific Local Service Areas are set forth in Exhibit 1 to this Agreement. The provision of EAS calling between the Local Service Areas set forth in Exhibit 1 has no effect on the definition of, or the rate structures applied to services that either Party offers or provides to end users. The Parties agree that the rate structure and rates charged by either Party to its respective

end users for the provision of EAS calling will only be determined by the individual Party or in accordance with applicable state regulatory requirements. This Agreement only applies to the specific Local Service Areas specified in Exhibit 1. From time to time, the Parties can negotiate changes in the geographic areas that have been specified as Local Service Areas and can negotiate the exchange of EAS calls between additional pairs of Local Service Areas, but this Agreement does not require the Parties to negotiate any changes. Without agreement by both Parties to such changes, the specific Local Service Areas set forth in Exhibit 1 and the combination(s) of Local Service Areas that determines EAS calling as also set forth in Exhibit 1 shall not change as the result of any subsequent actions of either Party including, but not limited to, any changes in service offerings, or changes in exchange boundaries by either Party.

3.2 Excluded Traffic.

The types of traffic not covered under this Agreement are all other forms of traffic other than the EAS traffic set forth in Exhibit 1 and traffic originating or terminating in areas other than the geographic areas set forth in Exhibit 1. This Agreement does not apply to any traffic that both originates and terminates within the same Local Service Area. This Agreement does not cover IntraLATA toll traffic; switched access traffic; InterLATA toll traffic; or any other traffic that is not specifically identified in Section 3.1 as subject to this Agreement. Except as provided in Section 3.3, below, this Agreement does not cover traffic originated, terminated, or carried on third party networks not Parties to this Agreement or any traffic originated or terminated by users of Commercial Mobile Radio Services. Traffic originated to and terminated by information service providers, including but not limited to internet providers, shall not be included in the threshold calculation nor other reciprocal compensation arrangements of this Agreement. Information Service shall be as defined in the Act.

3.3 Intermediary Functions

Neither Party shall provide an intermediary function for the other Party's connection of its end users to the end users of a third party telecommunications carrier without the consent of all parties and without a satisfactory business arrangement between the Parties to this Agreement for the intermediary function.

3.4 Compensation Arrangements.

For the mutual exchange of EAS traffic pursuant to this Agreement, the Parties agree that there will be no monetary compensation for EAS minutes of use exchanged between the Parties during the term of this Agreement unless the difference in minutes of use ("MOU") for terminating EAS traffic exceeds three million (3,000,000) minutes statewide on a monthly basis. In the event the difference in MOUs exchanged exceeds 3M MOU, Foothills Rural Tel. Coop. may elect compensation terms of any arrangement for the exchange of EAS traffic then in effect in Kentucky between BellSouth and any other telecommunications carrier, or in the absence of such an election, the Parties will negotiate specific compensation terms for the exchange of EAS traffic pursuant to this Agreement. Regardless of which method is utilized to define compensation terms, such terms shall be applicable to EAS traffic exchanged by the Parties beginning on the first day of the month subsequent to that month during which it is determined that the difference in minutes of use for terminating EAS traffic exceeds the threshold defined in this Section.

3.5 Method of Connection.

The Parties agree to connect their respective facilities-based networks for the exchange of EAS calls at one or more points of connection ("POCs") as specified in Exhibit 2. The Parties agree to provide and maintain their own facilities up to the POC. The financial arrangement between the Parties with respect to the transmission and trunking facilities provided between the Parties for mutual EAS calling purposes shall be negotiated between the Parties, and any compensation between the Parties shall be based upon the configuration of the facilities and the ownership of the facilities utilized and shall be specified in Exhibit 2. The Parties may mutually agree to purchase facilities from each other at rates, terms, and conditions set forth in the other Party's intrastate switched access or special access tariff(s).

3.6 Trunk Groups.

3.6.1 Trunk provisioning by the Parties will be specified in Exhibit 2. The Parties agree to establish two-way trunk groups based on traffic volumes, switching capabilities and capacities. The Parties agree to connect trunks at a minimum DS1 level to exchange EAS traffic on a bi-directional basis using two-way trunk groups between the Parties' networks. All connecting facilities will be a DS1 level, multiple DS1 level, or DS3 level and will conform to industry standards. Where EAS traffic volumes are not established, two-way trunk groups will be provisioned initially based on forecasts jointly developed by the Parties. All two-way trunk facilities will be engineered to a P.01 grade of service. Upon mutual agreement, the Parties may decide to provision one-way or other trunking arrangements.

3.6.2 Each Party is individually responsible to provide facilities within its network to the POC which are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in a mutually acceptable format and in a manner that neither destroys nor degrades the normal quality of service each Party provides to its respective end users..

3.7 Usage Determination.

The Parties agree to use commercially reasonable efforts to implement actual recording capabilities to identify EAS traffic under this Agreement, and to use the actual recordings to determine whether the Minutes of Use threshold set forth in Section 3.4 above is exceeded.

3.7.1 Until such time as both Parties have recording capability, the Parties agree to use a mutually agreeable traffic study methodology to determine whether the MOU threshold set forth in Section 3.4 above has been exceeded. If the Parties cannot agree on a methodology within 60 days of the effective date, then at the request of either Party, the Parties shall perform an initial three (3) month traffic study to determine whether the MOU threshold described in Section 3.4 may be exceeded. If the results of the initial three (3) month traffic study indicate that the MOU threshold may be exceeded, then the Parties shall perform a second three (3) month traffic study that covers a period of time within 12 months from the beginning of the initial three (3) month study. Only upon conclusion of and confirmation by the second traffic study will the condition described in Section 3.4 regarding the difference in MOU for terminating EAS traffic exceeding three million (3,000,000) minutes statewide on monthly basis be considered by the Parties as having been met. When one Party has actual recording capability and both Parties agree, the recording data of one Party may be utilized to develop, adjust or refine the accuracy of the traffic study data utilized by the non-recording Party.

3.8 Signaling

Both Parties agree to exchange SS7 signaling between their respective networks where technically feasible for EAS calls exchanged according to this Agreement. Both Parties will provide SS7 connectivity in accordance with accepted industry practice and standard technical specifications. The Parties agree to cooperate on the exchange of all appropriate SS7 messages for EAS call set-up, including ISDN User Part ("ISUP") and Transaction Capability User Part ("TCAP") messages to facilitate full interoperability of all CLASS features and functions between their respective networks. All SS7 signaling parameters will be provided in conjunction with EAS traffic where available with specific trunk connections. Where SS7 signaling is not available for the exchange of EAS calls, in-band multi frequency signaling shall be used in accordance with accepted industry practice and standards.

4.0 Notice of Changes

If a Party makes a change in its network which it believes will materially affect the provision or operation by either Party of the EAS service covered by this Agreement, the Party making the change shall provide at least ninety (90) days advance written notice of such changes to the other Party.

5.0 Auditing Procedures

5.1 Request for Audit. Upon thirty (30) days written notice, each Party must provide the other the ability and opportunity to conduct an annual audit to ensure the proper billing of compensation for the exchange of traffic between the Parties and to ensure compliance with the terms of this Agreement.

5.2 The Parties shall maintain and retain for a minimum of one year, complete, detailed, and accurate records, workpapers and backup documentation to evidence the data that has been used by the Parties to bill one another for the termination or transiting of traffic under this Agreement and to evidence that the Parties are in compliance with the Agreement.

5.3 Any adjustments or corrections identified by the audit of data furnished by originating company shall be limited to the 12 months proceeding the date of the audit.

5.4 The audit shall be accomplished during normal business hours at an office designated by the Party being audited. Audit requests shall not be submitted more frequently than one (1) time per calendar year. Audits shall be performed by a mutually acceptable auditor or internal audit team paid for by the Party requesting the audit.

6.0 Ordering Provision and Billing of All Services.

It is the mutual understanding of the Parties that the subject matter of this Agreement and the arrangements covered by this Agreement do not involve the provision of services from one Party to the other and do not involve billing of services between the Parties. In the event that the need for ordering or billing arises, then the following provisions will apply.

6.1 The Parties shall use best efforts to implement mechanized ordering and billing process(es) for the ordering of facilities and the billing of compensation required

by this Agreement by January 1, 1999. The Parties shall endeavor to encompass each Parties' standard procedures for ordering and billing.

6.2 Billing. The charges for any services under this Agreement are to be billed monthly and payable monthly (30 days after bill date) after appropriate adjustments pursuant to this Agreement are made. If any undisputed portion of the payment is received after the payment due date as set forth preceding, or if any undisputed portion of the payment is received in funds that are not immediately available, then a late payment penalty shall be due. The late payment penalty shall be the lesser of: (a) the highest interest rate (in decimal value) that may be levied by law for commercial transactions, compounded daily for the number of days from the payment due date to and including the date that payment is actually made; or (b) 0.000590 per day, compounded daily for the number of days from the payment due date to and including the date that the payment is actually made.

7.0 Taxes

It is the mutual understanding of the Parties to this Agreement that there are no taxes specifically applicable to the subject matter of this Agreement or to either Party as a result of entering into this Agreement that would not otherwise be applicable to each respective Party. In the event that any government authority, however, determines to the contrary that a tax or taxes are applicable to the subject matter of this Agreement, then the following provisions will apply.

7.1 Definitions

7.1.1 For purposes of this Section 7, the terms "taxes" and "fees" shall include but not limited to federal, state or local sales, use, excise, gross receipts or other taxes or tax-like fees of whatever nature and however designated (including tariff surcharges and any fees, charges or other payments, contractual or otherwise, for the use of public streets or rights of way, whether designated as franchise fees or otherwise) imposed, or sought to be imposed, on or with respect to the services furnished hereunder or measured by the charges or payments thereof, excluding any taxes levied on income.

7.1.2 The term "Providing Party" shall mean the Party whose rates apply to the transaction. The term "Purchasing Party" shall be the Party responsible for payment of compensation under this agreement with respect to a transaction. The term "Selling Party" shall have the same meaning as Providing Party.

7.2 Taxes and Fees Imposed Directly On Either Seller or Purchaser.

7.2.1 Taxes and fees imposed on the providing Party, which are not permitted or required to be passed on by the providing Party to its customer, shall be borne and paid by the providing Party.

7.2.2 Taxes and fees imposed on the purchasing Party, which are not required to be collected and/or remitted by the providing Party, shall be borne and paid by the purchasing Party.

7.3 Taxes and Fees Imposed on Purchaser But Collected And Remitted By Seller.

7.3.1 Taxes and fees imposed on the purchasing Party shall be borne by the purchasing Party, even if the obligation to collect and/or remit such taxes or fees is placed on the providing Party.

7.3.2 To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing Party remain liable for any such taxes and fees regardless of whether they are actually billed by the providing Party at the time that the respective service is billed.

7.3.3 If the purchasing Party determines that in its opinion any such taxes or fees are not payable, the providing Party shall not bill such taxes or fees to the purchasing Party if the purchasing Party provides written certification, reasonably satisfactory to the providing Party, stating that it is exempt or otherwise not subject to the tax or fee, setting forth the basis therefor, and satisfying any other requirements under applicable law. If any authority seeks to collect any such tax or fee that the purchasing Party has determined and certified not to be payable, or any such tax or fee that was not billed by the providing Party, the purchasing Party may contest the same in good faith, at its own expense. In any such contest, the purchasing Party shall promptly furnish the providing Party with copies of all filings in any proceeding, protest, or legal challenge, all rulings issued in connection therewith, and all correspondence between the purchasing Party and the taxing authority.

7.3.4 In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing Party during the pendency of such contest, the purchasing Party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

7.3.5 If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing Party shall pay such additional amount, including any interest and penalties thereon.

7.3.6 Notwithstanding any provision to the contrary, the purchasing Party shall protect, indemnify and hold harmless (and defend at the purchasing Party's expense) the providing Party from and against any such tax or fee, interest or penalties thereon, or other charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing Party in connection with any claim for or contest of any such tax or fee.

7.3.7 Each Party shall notify the other Party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

7.4 Taxes and Fees Imposed on Seller But Passed On To Purchaser.

7.4.1 Taxes and fees imposed on the providing Party, which are permitted or required to be passed on by the providing Party to its customer, shall be borne by the purchasing Party.

7.4.2 To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing Party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the providing Party at the time that the respective service is billed.

7.4.3 If the purchasing Party disagrees with the providing Party's determination as to the application or basis for any such tax or fee, the Parties shall consult with respect to the imposition and billing of such tax or fee, the Parties shall consult with respect to the imposition of such tax or fee. Notwithstanding the foregoing, the providing Party shall retain ultimate responsibility for determining whether and to what extent any such taxes or fees are applicable, and the purchasing Party shall abide by such determination and pay such taxes or fees to the providing Party. The providing Party shall further retain ultimate responsibility for determining whether and how to contest the imposition of such taxes and fees; provided, however, that any such contest undertaken at the request of the purchasing Party shall be at the purchasing Party's expense.

7.4.4 In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing Party during the pendency of such contest, the purchasing Party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

7.4.5 If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing Party shall pay such additional amount, including any interest and penalties thereon.

7.4.6 Notwithstanding any provision to the contrary, the purchasing Party shall protect indemnify and hold harmless (and defend at the purchasing Party's expense) the providing Party from and against any such tax or fee, interest or penalties thereon, or other reasonable charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing Party in connection with any claim for or contest of any such tax or fee.

7.4.7 Each Party shall notify the other Party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

7.5 Mutual Cooperation.

In any contest of a tax or fee by one Party, the other Party shall cooperate fully by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest. Further, the other Party shall be reimbursed for any reasonable and necessary out-of-pocket copying and travel expenses incurred in assisting in such contest.

8.0 Liability and Indemnification

8.1 Each Party's liability to the other for any loss, cost, claim, injury or liability or expense, including reasonable attorney's fees relating to or arising out of any negligent act or omission in its performance of this Agreement whether in contract or in tort, shall be limited to a credit for the actual cost of the services or functions not performed or improperly performed. A Party may, in its sole discretion, provide in its tariffs and contracts with its Customer and third parties that relate to any service, product or function provided or contemplated under this Agreement, that to the maximum extent permitted by Applicable Law, such Party shall not be liable to Customer or third party for (i) any Loss relating to or arising out of this Agreement, whether in contract, tort or otherwise, that exceeds the amount such Party would have charged that applicable person for the service, product or function that gave rise to such Loss and (ii) Consequential Damages. To the extent that a Party elects not to place in its tariffs on contracts such limitations of liability, and the other Party incurs a Loss as a result thereof, such Party shall indemnify and reimburse the other Party for that portion of the Loss that would have been limited had the first Party included in its

tariffs and contracts the limitations of liability that such other Party included in its own tariffs at the time of such Loss.

8.2 Neither Party shall be liable for any act or omission of any other telecommunications company to the extent such other telecommunications company provides a portion of a service.

8.3 Neither Party shall be liable for damages to the other Party's terminal location, POI or other Party's customers' premises resulting from the furnishing of a service, including but not limited to the installation and removal of equipment and associated wiring, except to the extent the damages is caused by such Party's gross negligence or willful misconduct.

8.4 Notwithstanding subsection 8.1, the Party providing services under this Agreement, its affiliates, and its parent company shall be indemnified, defended and held harmless by the Party receiving such services against any claim, loss or damage arising from the receiving Party's use of the services provided under this Agreement, involving: 1) Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the receiving Party's own communications; 2) any claim, loss, or damage claimed by the receiving Party's customer(s) arising from such customer's use of any service, that the customer has obtained from the receiving Party and that the receiving Party has obtained from the supplying Party under this Agreement; or 3) all other claims arising out of an act or omission of the receiving Party in the course of using services provided pursuant to this Agreement. Notwithstanding the foregoing, to the extent that a claim, loss or damage is caused by the gross negligence or willful misconduct of a supplying Party the receiving Party shall have no obligation to indemnify, defend and hold harmless the supplying Party hereunder.

8.5 No license under patents (other than the limited license to use) is granted by one Party to the other or shall be implied or arise by estoppel, with respect to any service offered pursuant to this Agreement. Notwithstanding subsection 8.1, the Party providing a service pursuant to this Agreement will defend the Party receiving such service against claims of patent infringement arising solely from the use by the receiving Party of such service and will indemnify the receiving Party for any damages awarded based solely on such claims. Such indemnification shall not, however, extend to claims for patent infringement to the extent the alleged infringement results from:

8.5.1 Modification of the service by someone other than the providing Party and /or its subcontractors, where there would be no such infringement or violation in the absence of such modification; or

8.5.2 The combination, operation or use of the service with any product, data or apparatus not provided by the providing Party and/or its subcontractors, where

there would be no such infringement or violation in the absence of such combination, operation or use.

8.6 Promptly after receipt of notice of any claim or the commencement of any action for which a Party may seek indemnification pursuant to this Section 8.0, such Party (the "Indemnified Party") shall promptly give written notice to the other Party (the Indemnifying Party") of such claim or action, but the failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability it may have to the Indemnified Party except to the extent the Indemnifying Party has actually been prejudiced thereby. The Indemnifying Party shall be obligated to assume the defense of such claim, at its own expense. The Indemnified Party shall cooperate with the Indemnifying Party's reasonable requests for assistance or information relating to such claim, at the Indemnifying Party's expense. The Indemnified Party shall have the right to participate in the investigation and defense of such claim or action, with separate counsel chosen and paid for by the Indemnified Party.

9.0 Force Majeure.

Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, labor difficulties, work stoppages, work slowdowns, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation carriers (collectively, a Force Majeure Event"). If any force majeure condition occurs, the Party delayed or unable to perform shall give immediate notice to the other Party and shall take all reasonable steps to correct the force majeure condition. During the pendency of the Force Majeure, the duties of the Parties under this Agreement affected by the Force Majeure condition shall be abated and shall resume without liability thereafter.

10.0 Treatment of Proprietary and Confidential Information

10.1 Both Parties agree that it may be necessary to provide each other during the term of this Agreement with certain confidential information, including trade secret information, including but not limited to, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data, call detail records and like information (hereinafter collectively referred to as "Information"). Both Parties agree that all Information shall be in writing or other tangible form and clearly marked with a confidential, private or proprietary legend and

that the Information will be returned to the owner within a reasonable time. Both Parties agree that the Information shall be utilized by the non-disclosing Party only to the extent necessary to fulfill the terms of this Agreement, and for no other purpose. Both Parties agree to receive such Information and not disclose such Information. Both Parties agree to protect the Information received from distribution, disclosure or dissemination to anyone except employees of the Parties with a need to know such Information and which employees agree to be bound by the terms of this Section. Both Parties will use the same standard of care to protect Information received as they would use to protect their own confidential and proprietary Information.

10.2 Notwithstanding the foregoing, both Parties agree that there will be no obligation to protect any portion of the Information that is either: 1) made publicly available by the owner of the Information or lawfully disclosed by a non-party to this Agreement; 2) lawfully obtained from any source other than the owner of the Information; 3) previously known to the receiving Party without an obligation to keep it confidential; or 4) required to be disclosed by any governmental authority or applicable law.

11.0 Resolution of Disputes

11.1 For disputes under this Agreement or its Exhibits, each Party shall appoint a designated representative and if unable to resolve the dispute, proceed as set forth below.

11.2 No claims, under this Agreement or its Exhibits, shall be brought for disputes more than twenty-four (24) months from the date of occurrence which gives rise to the dispute. Under this Section, if any portion of any issue under this Agreement is subject to a bona fide dispute between the Parties, the disputing Party shall give notice to the other Party of the issue it disputes ("Disputed Issue") and include in such notice the specific details and reasons for disputing the issue.

11.3 If the Parties are unable to resolve the disputed issues in the normal course of business within sixty (60) days after delivery of notice of the Disputed Issues, each of the Parties shall appoint a designated representative who has authority to settle the dispute and who is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute.

11.4 If the Parties are unable to resolve disputed issues within forty-five (45) days after the Parties' appointment of designated representatives as set forth above, then either Party may file a complaint with the Commission to resolve such issues or proceed with any other remedy pursuant to law or equity.

11.5 The Parties agree that all negotiations pursuant to this Section shall remain confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

12.0 Waivers

Any failure by either Party to insist upon the strict performance by the other Party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and each Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

13.0 Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Kentucky, without regard to its conflict of laws principles.

14.0 Notices

14.1 Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered in person or given by postage prepaid mail, address to:

BellSouth Telecommunications, Inc.
Director -- Industry Relations
Third Floor
600 N. 19th St.
Birmingham, AL 35201

Foothills Rural Telephone Cooperative
Corporation, Inc.
P. O. Box 240
Staffordsville, KY 41256

Copy to: General Attorney
Customer Operations Unit
Suite 4300
675 West Peachtree St.
Atlanta, Georgia 30375

or at such other address as the intended recipient previously shall have designated by written notice to the other Party.

14.2 Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

15.0 Compliance with Laws and Regulations

Each Party shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement.

16.0 Headings of No Force or Effect

The headings of Articles and Sections of this Agreement are for convenience of reference only, and shall in no way define, modify or restrict the meaning or interpretation of the terms or provisions of this Agreement.

17.0 Entire Agreement

This Agreement and its Exhibits, incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and neither Party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the Party to be bound thereby.

18.0 Independent Contractors

Neither this Agreement, nor any actions taken by either Party, in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between the Parties, or any relationship other than that of purchaser and seller of services. Neither this Agreement, nor any actions taken by either Party in compliance with this Agreement, shall create a contractual, agency, or any other type of relationship or third party liability between the Parties or between either Party and the customers of the other Party.

19.0 No Third Party Beneficiaries.

This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein express or implied shall create or be construed to create any third-party beneficiary rights hereunder. Nothing in this Agreement shall constitute a Party

as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name of or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

20.0 Assignability

Each Party covenants that, if it sells or otherwise transfers to a third party, it will require as a condition of such transfer that the transferee agree to be bound by this Agreement with respect to services provided over the transferred facilities. Except as provided in this paragraph, neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party which consent will not be unreasonably withheld; provided that either Party may assign this Agreement to an affiliate or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer. Any attempted assignment or transfer that is not permitted is void ab initio. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.

21.0 Joint Work Product

This Agreement is the joint work product of the Parties and has been negotiated by the Parties and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against either Party.

22.0 Severability

If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement shall remain in full force and effect and shall not be affected unless removal of that provision results in a material change to this Agreement. If a material change as described in this paragraph occurs as a result of action by a court or regulatory agency, the Parties shall negotiate in good faith for replacement language that does not materially alter the economic effect of this Agreement on either Party. If replacement language cannot be agreed upon within a reasonable period, either Party may terminate this Agreement without penalty or liability for such termination upon written notice to the other Party in accordance with Section 2.0.

23.0 Regulatory Approval

The Parties understand and agree that this Agreement will be filed with the Commission. Notwithstanding this mutual commitment, however, the Parties enter into this Agreement without prejudice to any positions they have taken previously, or may take in the future in any legislative, regulatory, or other public forum addressing any matters, including matters related to the types of arrangements prescribed in this Agreement. The Parties reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement. In the event the Commission rejects this Agreement in whole or in part, the Parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification of the rejected portion(s). Further, this Agreement is subject to change, modification, or cancellation as may be required by a regulatory authority or court in the exercise of its lawful jurisdiction.

24.0 Counterparts, Construction

This Agreement will be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and all of which, when taken together, constitute one and the same document. The signature of any Party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of this 29th day of July, 1997.

BellSouth Telecommunications, Inc.

Foothills Rural Telephone Cooperative Corporation, Inc.

By Jerry Hendrix

By Paul E. Preston

Printed Jerry D. Hendrix

Printed Paul E. Preston

Title Director

Title Exec. Mgr. / EVP

EXHIBIT 1

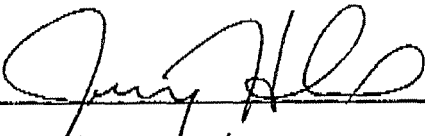
Effective: July 1, 1997

This Exhibit specifies the Extended Area Services covered under this EAS TRAFFIC AGREEMENT between BellSouth and Foothills Tel. Coop. as follows:

<u>BellSouth</u>	<u>EAS Traffic Direction</u>	<u>Foothills Tel. Coop.</u>
Louisa Exchange	2-way	Fallsburg Exchange
Louisa Exchange	2-way	Chapman Exchange
Louisa Exchange	2-way	Blaine Exchange
Paintsville Exchange	2-way	Flat Gap Exchange
Paintsville Exchange	2-way	Staffordsville Exchange

Approved and executed this 29th day of July, 1997.

BellSouth Telecommunications, Inc.

By 
 Printed Jerry D. Hendrix
 Title Director

Foothills Rural Telephone Cooperative, Inc.

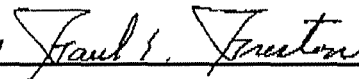
By 
 Printed Paul E. Preston
 Title Gen. Mgr./EVP

EXHIBIT 2

DESIGNATION OF POINTS OF CONNECTION
FOR EXCHANGE OF EXTENDED AREA SERVICE TRAFFIC

Effective: July 1, 1997

This Exhibit specifies the physical connection points between BellSouth and Foothills Tel. Coop. for the exchange of Extended Area Service ("EAS") traffic covered under this EAS TRAFFIC AGREEMENT as follows:

For the exchange of EAS traffic between the exchanges identified in Exhibit 1, the parties agree to connect at a junction point located at:

Intersection of Highway 23 and 460
Cross-connect at Pole 47 (BST)
B Route 38, Pole 3 (Foothills)
Cable K636A, Paintsville to Staffordsville
Paintsville, KY

Approved and executed this 29th day of July, 1997

BellSouth Telecommunications, Inc.

By [Signature]
Printed Jerry D. Hendrix
Title Director

Foothills Rural Telephone Cooperative, Inc.

By [Signature]
Printed Paul E. Preston
Title Gen. Mgr. / EVP

AGREEMENT FOR FACILITIES-BASED NETWORK INTERCONNECTION AND
RECIPROCAL COMPENSATION FOR TRANSPORT AND TERMINATION OF
TELECOMMUNICATIONS TRAFFIC
(CMRS-LEC AGREEMENT)

This Agreement, effective this 1st day of August, 2004, is made and entered into by and between East Kentucky Network, LLC d/b/a Appalachian Wireless, a limited liability company organized under the laws of the Commonwealth of Kentucky (hereinafter referred to as EKN) and Foothills Rural Telephone Cooperative Corporation, Inc. a corporation organized under the laws of the Commonwealth of Kentucky (hereinafter referred to as FRTC), as follows:

WITNESSETH:

WHEREAS, EKN is a Commercial Mobile Radio Services ("CMRS") provider licensed by the Federal Communications Commission ("FCC") to provide CMRS; and

WHEREAS, FRTC is a local exchange carrier ("LEC") providing telecommunications services in the Commonwealth of Kentucky; and

WHEREAS, EKN desires to connect its facilities to those of FRTC in accordance with the terms and conditions of this Agreement and interchange traffic for the provision of telecommunications service, and

WHEREAS, FRTC is willing to provide such connection and interchange traffic for the provision of telecommunications service as provided herein;

NOW, THEREFORE, in consideration of the premises hereinafter contained, FRTC and EKN hereby agree as follows:

1. DESCRIPTION OF SERVICE

- 1.1 This Agreement provides FRTC equipment, facilities and services (referred to as "Service") for the interconnection and interchange of domestic public cellular radio telecommunications trafficked between EKN and FRTC.
- 1.2 Service will be provided by an end office Type 1 interconnection arrangement as defined in Bell Communications Research publication TR-NPL-00145.
- 1.3 This Type 1 interconnection provides for the termination of EKN originated calls to directory numbers in the local calling area (including EAS) of the specific FRTC exchange(s) and for the origination of calls from directory numbers in the local calling area (including EAS) of the specific FRTC

exchange(s) that can be terminated directly to EKN customers via the connecting trunks provided pursuant to this Agreement.

- 1.4 Directory listings of EKN customers in FRTC directories are not included in the Service provided pursuant to this Agreement.

2. SERVICE PROVISION

- 2.1 Connecting trunks between any FRTC central office and the EKN Mobile Telephone Switching Office (MTSO) will be provided as mutually agreed to by the Parties.
- 2.2 Service will be provided by EKN placing an order to FRTC using the normal FRTC ordering procedures for connecting trunks between the FRTC central office and the EKN MTSO.
- 2.3 Signaling arrangements, digit out pulsing, answer and disconnect supervisory signaling and other equipment interconnection features will be as mutually agreed to by the Parties.

3. TROUBLE REPORTING, TESTING AND PROTECTION

- 3.1 In order to facilitate reporting of troubles and interruptions and to coordinate the restoration of Service provided to EKN by FRTC under this Agreement, FRTC will designate a Trouble Reporting Control Office (TRCO) and furnish to EKN a telephone number for such TRCO. Where possible, FRTC will provide EKN a seventy-two (72) hour advance notice of scheduled service interruptions affecting EKN operations.
- 3.2 When EKN reports a trouble or interrupted condition, it will first have used its best efforts to isolate the problem to the facilities of FRTC.
- 3.3 EKN and FRTC will make cooperative tests, as appropriate, to minimize trouble and interrupted conditions.
- 3.4 The characteristics and methods of operation of any circuits, facilities or equipment of EKN connected with circuits, facilities or equipment of FRTC pursuant to this Agreement shall not interfere with or impair other services of FRTC or its connecting and concurring carriers involved in such services, cause damage to their plant, impair the privacy of any communications carried over their facilities or create hazards to the employees of any of them or to the public.

- 3.5 If such characteristics or methods of operation are not in accordance with Paragraph 3.4 above, FRTC will notify EKN of such discrepancy and non-compliance. EKN shall work diligently to correct any discrepancy or non-compliance. EKN shall immediately cease and desist any operation that interferes with or impairs the normal provisioning of telephone service to FRTC customers.

4. RATES AND CHARGES

- 4.1 EKN is responsible for the payment of all rates, charges and deposits due to FRTC under the terms of this Agreement.
- 4.2 Charges for Service provided pursuant to this Agreement shall consist of:
- (a) switched usage charges for terminating EKN traffic on the local exchange network,
 - (b) monthly recurring charges for connecting trunks between FRTC central offices and the EKN MTSO at the approved tariff rates in the intrastate access tariff of FRTC, and
 - (c) non-recurring and/or special construction charges as may be applicable to services or facilities requested by EKN.
- 4.3 Switched usage charges for the termination of EKN originated traffic interchanged with FRTC and destined to points on the local exchange network will be on an access minutes of use basis. Such traffic destined to points within the local calling scope of the FRTC central offices serving EKN will be at the rate of:
- Switched Usage Rate: \$0.0150
- 4.4 In the event that terminating access minutes cannot be measured, either on a temporary or permanent basis, the Parties will negotiate an assumed monthly minutes of use for purposes of Paragraph 4.2.
- 4.5 Monthly recurring charges, non-recurring charges and special construction charges for connecting trunks, special construction and other services and facilities as requested by EKN, will be invoiced to EKN at tariff or other applicable rates in accordance with normal FRTC billing procedures. The charges for connecting trunks between Salyersville cell site and Salyersville Central Office are as shown on Exhibit No. 1 and between Louisa cell site and Chapman Central Office are as shown on Exhibit No. 2, both of which are attached hereto and made a part hereof.

- 4.6 Exhibits to the Agreement may be added, deleted or modified as necessary to reflect changes in facilities requested, central office connections or changes in approved tariff rates.

5. DEPOSIT

Since EKN has established a satisfactory credit rating with FRTC, no deposit will be required for Service provided pursuant to this Agreement.

6. BILLING AND PAYMENT

- 6.1 FRTC will submit to EKN, no later than the tenth (10th) day of each month an invoice for the Service provided hereunder for the proceeding month pursuant to the rates and charges contained in Paragraph 4.
- 6.2 Payment is due upon receipt of invoice and considered past due in not received within thirty (30) days of the invoice date.
- 6.3 A delinquent charge of twelve percent (12%) per annum will be imposed on undisputed amounts past due.

7. MISCELLANEOUS

- 7.1 The performance of the Parties under this Agreement shall be excused by labor difficulties, governmental orders, civil commotions, acts of God and other circumstances beyond the reasonable control of the Parties.
- 7.2 Each Party agrees to indemnify and hold harmless the other Party for libel, slander, copyright, trademark or patent infringement arising from the provision of Service hereunder and claims for injuries or damages for the negligent or willful actions of the employees, agents, contractors or representatives of the indemnifying Party.
- 7.3 All information furnished by one Party to the other and identified as confidential by the furnishing Party, will not be distributed, provided or disclosed by the other Party except by order of a court or regulatory body of competent jurisdiction.
- 7.4 This Agreement may not be assigned by either Party without the written permission of the other Party, which shall not be unreasonably withheld.
- 7.5 All notices, demands, or requests which may be given by one Party to the other under this Contract (other than trouble reports and notice of interruption

pursuant to Paragraph 3) shall be in writing and shall be deemed to have been duly given on the date delivered in person or deposited, postage, prepaid, in the United States Mail via certified mail return receipt requested, or sent via telex, telefax or cable, and addressed as follows:

Foothills Rural Telephone Cooperative Corp, Inc.
P.O. Box 240
Staffordsville, KY 41256

And to EKN, addressed as follows:

East Kentucky Network, LLC d/b/a Appalachian Wireless
P.O. Box 405
Prestonsburg, KY 41653

8. TERMINATION

- 8.1 The initial term of this Agreement shall be for one (1) year beginning with the effective date shown above and shall automatically renew for successive one (1) year terms unless terminated by either party upon sixty (60) days written notice prior to the expiration of any term, or as otherwise provided herein.
- 8.2 This Agreement shall terminate immediately upon the suspension, revocation or termination of the license or other authorization of EKN to provide Commercial Mobile Radio Services in the geographic area of FRTC.
- 8.3 This Agreement may be terminated by FRTC upon not less than thirty (30) days written notice to EKN, for failure to pay undisputed amounts past due FRTC pursuant to the provisions of this Agreement.
- 8.4 This Agreement may be terminated at any time mutual consent of both Parties and written notification thereof.

IN WITNESS WHEREOF, the Parties hereto execute this Agreement on
this 14 day of July, 2004.

East Kentucky Network, LLC
d/b/a Appalachian Wireless

By: Laura Phlips

Printed: Laura Phlips

Title: General Manager

Foothills Rural Telephone
Cooperative Corporation, Inc.

By: Thomas E. Preston

Printed: Thomas E. Preston

Title: CEO/GM

RECEIVED

SEP 07 2008

FEDERAL RESERVE
DISMISSED

