

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BRANDENBURG TELEPHONE COMPANY;)
DUO COUNTY TELEPHONE COOPERATIVE)
CORPORATION, INC.; HIGHLAND)
TELEPHONE COOPERATIVE, INC.; MOUNTAIN)
RURAL TELPHONE COOPEATIVE CORPORATION,)
INC.; NORTH CENTRAL TELEPHONE)
COOPERATIVE CORPORATION; SOUTH CENTRAL)
RURAL TELEPHONE COOPERATIVE)
CORPORATION, INC.; AND WEST KENTUCKY)
RURAL TELEPHONE COOPERATIVE)
CORPORATION, INC.)

COMPLAINANTS)

v.)

WINDSTREAM KENTUCKY EAST, INC.)

DEFENDANT)

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PUBLIC SERVICE
COMMISSION

CASE NO. 2007-0004

Windstream Kentucky East's Reply to the January 31, 2008
Response by the RLECS

Windstream Kentucky East, Inc. for its Reply to the "RLECs' Response to the Commission's November 13, 2007 Order" dated January 31, 2008 states:

1. The assertions made by the RLECs in their January 31, 2008 response are largely in error and insufficient to satisfy the requisite showing in this matter.

2. The RLECs' filing appears to take issue with Windstream's classification of the billing data as confidential. Windstream notes that should each of the RLECs chose to release its information, that is at the RLECs' discretion. However, out of an abundance of caution with respect to customer proprietary concerns, Windstream filed the billing data confidentially and

took steps to ensure that one RLEC would not be allowed to access another RLECs' billing information.

3. The RLECs err in claiming that the data provided by Windstream is "utterly irrelevant to six of the seven RLECs in this proceeding." By their own account, the seven RLECs in this proceeding include Brandenburg, Duo County, Highland, Mountain Rural, North Central, South Central, and West Kentucky. In compliance with Ordering Paragraph 4 of the Commission's Order (requesting that Windstream present a status report regarding the alleged outstanding payments owed by each RLEC for transit rates), Windstream provided the BAN, invoice number and date, and balance and aging data for five RLECs with outstanding transit balances. Those RLECs included Brandenburg, Duo County, Highland, North Central, and South Central. Windstream did not provide any billing data for Mountain Rural or West Kentucky because Windstream's billing systems did not reflect any outstanding transit rate balances for these two companies. As it provided the outstanding transit balances for five of the seven RLECs in this proceeding, Windstream does not understand the RLECs' contention that the data provided are irrelevant to "six of the seven" RLECs. Indeed, the RLECs acknowledge that Windstream provided billing data for Highland and further that the billing data provided "appears to be generally consistent with the bills Highland has received" for transit services. (page 2 of Response.) Yet, the RLECs fail to address that the categories of data provided for Highland were the same as those Windstream provided for Brandenburg, Duo County, North Central, and South Central.

4. With respect to data provided for Leslie County, the RLECs correctly that the billing data should not have been provided as Leslie County is not a party to this proceeding. Production of that data was an oversight on Windstream's part, and Windstream requests that

counsel for the RLECs delete the Leslie County data from the documents provided and otherwise accord the data confidential treatment.

5. In their January 31, 2008 Response, the RLECs assert that they are not “liable for any transit charges Windstream claims” to be owed. (page 2 of Response.) However, in its November 13, 2007 Order in this matter, the Commission determined that “[a]s the RLECs contend that tariffed rates are unjust and unreasonable, they are required to provide *substantial* evidence and argument to support these claims”. (Emphasis added.) The RLECs provided none and cannot be said to have met their burden of proof in this matter.

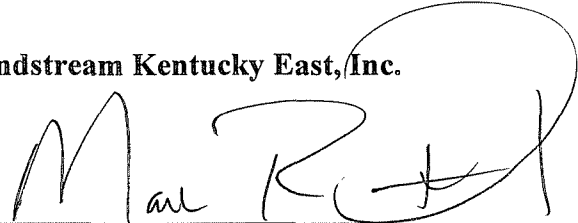
6. At the same time that Windstream provided the RLECs the billing data for five of the seven RLECs with outstanding transit balances, Windstream also provided its cost study information. However, the RLECs failed to allege in their Response how Windstream's tariffed rates are unjust and unreasonable. Instead, the RLECs merely set forth an unsubstantiated claim that "Windstream's apparent inability to provide [basic billing] information does not bode well for its alleged ability to accurately calculate a cost-based rate for any transit services it may provide." (page 2 of Response.) Notwithstanding the inaccuracy of this assertion (which even if true would have no bearing on whether Windstream's tariffed rates were just and reasonable), the RLECs otherwise failed to set forth any showing with respect to Windstream's tariffed rates.

7. Windstream has complied with its requirements of the Commission's November 13, 2007 Order. Windstream provided both cost study information for its transit tariff rates and “alleged amounts owed” by the RLECs to this proceeding. Windstream also provided the requested status update of Windstream's ongoing attempts to engage the RLECs in negotiations of these matters. Contrary to the Commission's order, the RLECs failed to set forth substantial evidence necessary to support their claims. Nevertheless, at least five of the seven RLECs

continue to utilize Windstream's network for transit services despite their continued disputes of the tariffed rates and refusal to enter into transit agreements with Windstream,.

Wherefore, Windstream Kentucky East, Inc. respectfully requests that it be granted all relief to which it may be entitled.

Windstream Kentucky East, Inc.

By: 

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CERTIFICATE OF SERVICE

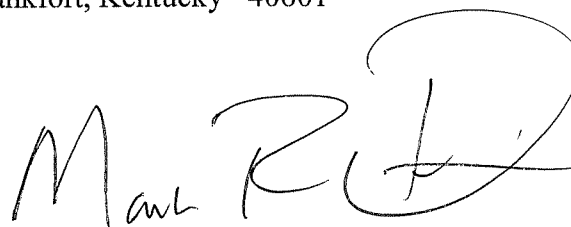
I hereby certify that a copy of the foregoing was served by United States First Class Mail, postage prepaid, and e-mail transmission on this 20th day of February, 2008 upon:

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A handwritten signature in black ink, appearing to read "Mark R. Overstreet". The signature is written in a cursive style with a large, looping "D" at the end.

Mark R. Overstreet

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