

BellSouth Telecommunications, Inc.

601 W. Chestnut Street
Room 407
Louisville, KY 40203

Mary.Keyer@BellSouth.com

Mary K. Keyer

General Counsel/Kentucky

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July 20, 2007

RECEIVED

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**PUBLIC SERVICE
COMMISSION**

Ms. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

Re: BLC Management, LLC, d/b/a Angles Communications Solutions, v.
BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky
PSC 2007-00262

Dear Ms. O'Donnell:

Enclosed for filing are the original and ten (10) copies of the Response of AT&T Kentucky to the complaint of BLC Management LLC d/b/a Angles Communications Solutions.

Sincerely,


Mary K. Keyer

cc: Parties of Record

684900

AT&T Kentucky responds to the various paragraphs of Angles' Complaint as follows:

1. Responding to the "SUMMARY" portion of Angles' Complaint, AT&T Kentucky admits only that: (i) Angles filed a complaint with the Tennessee Regulatory Authority ("Authority") wherein Angles requested the Authority to issue an Order that would prevent AT&T Tennessee from exercising its contractual right to discontinue providing service to Angles in Tennessee based on Angles' failure to pay substantial sums which are past due on Tennessee accounts; (ii) AT&T Tennessee denies that Angles is entitled to any relief whatsoever in Tennessee;¹ (iii) mediation was unsuccessful; and (iv) AT&T Tennessee has requested the Authority to empower a hearing officer to resolve the parties' dispute in Tennessee.

2. Responding to the "BACKGROUND" portion of Angles' Complaint, AT&T Kentucky admits that Angles made a payment of \$120,402.61 in June 2006, but denies that such payment constituted the total, undisputed charges owed by Angles as of June 2006. Further, AT&T Kentucky denies that Angles has paid all undisputed charges since June 2006; denies the allegations that the past due charges are not state specific; denies the allegations that the Authority is attempting to resolve any aspect of the parties' dispute that extends beyond the jurisdiction of the Authority; and denies the allegations that the entire outstanding past due amount owed in Kentucky is part of the same dispute pending before the Authority.

¹ AT&T Tennessee's Answer to Angles' Complaint filed with the Authority is attached hereto as Exhibit "A".

Angles' allegations regarding the nature of its customers and its legal status require no response from AT&T Kentucky. AT&T Kentucky denies that Angles has fully and fairly described the demand letter dated June 12, 2007. In any event, AT&T Kentucky sent Angles a subsequent demand letter, dated June 28, 2007, wherein AT&T Kentucky demanded payment of past due charges associated with Kentucky accounts in the amount of \$110,047.08.² This amount remains unpaid.

3. Responding to the "RELIEF SOUGHT" portion of Angles' Complaint, AT&T Kentucky denies that Angles is entitled to any relief whatsoever, and denies that AT&T Kentucky "suffers no harm by waiting for Tennessee to act." To the contrary, AT&T Kentucky suffers specific and substantial harm each and every day it provides service to Angles in Kentucky notwithstanding the fact that Angles has refused to pay for substantial portions of previously provided service in Kentucky.

4. AT&T Kentucky denies each and every allegation in Angles' Complaint not expressly admitted herein, and demands strict proof thereof.

AFFIRMATIVE DEFENSES

5. Angles has failed to state a claim upon which relief can be granted.

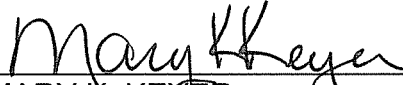
6. Angles has failed to state a contractual basis for the relief it seeks.

WHEREFORE, having responded to Angles' complaint, AT&T Kentucky respectfully requests that the Commission issue an Order: (i) denying all relief sought by Angles; (ii) requiring Angles to immediately pay AT&T Kentucky all undisputed amounts owed on its Kentucky accounts; (iii) requiring Angles to

² The demand letter dated June 28, 2007, is attached hereto as Exhibit "B".

immediately pay into escrow all disputed amounts owed on its Kentucky accounts pending resolution of this matter by the Commission; (iv) authorizing AT&T Kentucky to terminate service to Angles in accordance with the parties' interconnection agreement if Angles fails to timely pay the aforementioned amounts; and (iv) granting such further relief as the Commission deems just and proper.

Respectfully submitted, this 20th day of July, 2007.



MARY K. KEYER
General Counsel-Kentucky
601 West Chestnut Street, Room 407
P.O. Box 32410
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(502) 582-8219

ROBERT A. CULPEPPER
Senior Regulatory Counsel
AT&T Midtown Center -- Suite 4300
675 West Peachtree Street, N.E.
Atlanta, GA 30375
(404) 335-0841

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

684394

CERTIFICATE OF SERVICE KPSC 2007-00262

It is hereby certified that a true and correct copy of the foregoing was served on the following individuals via U.S. Mail this 20th day of July, 2007.

Douglas F. Brent
Deborah T. Eversole
Stoll Keenon Ogden, PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202

Henry Walker
Boult, Cummings, Conners & Berry, PLC
P.O. Box 340025
1600 Division Street, Suite 700
Nashville, TN 37203



Mary K. Keyer

BellSouth Telecommunications, Inc.
333 Commerce Street
Suite 2101
Nashville, TN 37201-3300

guy.hicks@bellsouth.com

Guy M. Hicks
General Counsel

615 214 6301
Fax 615 214 7406

March 26, 2007

VIA HAND DELIVERY

Hon. Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

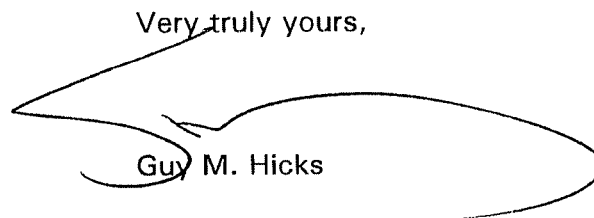
Re: *Complaint of BLC Management, LLC d/b/a Angles Communication Solutions Against BellSouth Telecommunications, Inc. to Resolve Billing Disputes, En force the Parties' Interconnection Agreement, and Prevent Interference with Service to Customers*
Docket No. 07-00053

Dear Chairman Kyle:

Enclosed are the original and fourteen copies of the *Answer of BellSouth Telecommunications, Inc. dba AT&T Tennessee* in the referenced matter.

A copy is being provided to counsel of record.

Very truly yours,


Guy M. Hicks

GMH:ch

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In Re: *Complaint of BLC Management, LLC d/b/a Angles Communication Solutions Against BellSouth Telecommunications, Inc. to Resolve Billing Disputes, En force the Parties' Interconnection Agreement, and Prevent Interference with Service to Customers*

Docket No. 07-00053

**ANSWER OF BELLSOUTH TELECOMMUNICATIONS, INC. d/b/a
AT&T TENNESSEE**

BellSouth Telecommunications, Inc. d/b/a AT&T Tennessee ("AT&T Tennessee") responds to the Complaint filed by BLC Management, LLC d/b/a Angles Communications Solutions ("Angles") asking the Tennessee Regulatory Authority ("TRA" or "Authority") to resolve a billing dispute.

SUMMARY

Angles is not entitled to the relief sought in its Complaint. Angles is delinquent and has been delinquent for months in its payments to AT&T Tennessee for undisputed amounts owed. For amounts owed that have been disputed, Angles' claims lack merit.

AT&T Tennessee respectfully requests that the Authority enter an Order (1) denying all of the relief sought in Angles' Complaint, (2) requiring Angles to pay AT&T Tennessee all undisputed amounts owed within ten (10) days, and (3) requiring Angles to pay all disputed amounts into escrow within ten (10) days.

SPECIFIC RESPONSE

I. Parties

AT&T Tennessee admits the statements set forth in paragraph I of the Complaint.

II. Jurisdiction

AT&T Tennessee admits that the Authority has jurisdiction over the interconnection agreement negotiated by the Parties ("ICA"). AT&T Tennessee denies that all of the statutes cited by Angles provide jurisdiction as claimed by Angles. Such statutes speak for themselves and thus AT&T Tennessee denies Angles' characterization of the same.

III. Designated Contact

The allegations contained in paragraph 3 of the Complaint require no response from AT&T Tennessee. AT&T Tennessee affirmatively states that communications regarding AT&T Tennessee's Answer to this Complaint should be directed to:

Guy M. Hicks
Joelle Phillips
333 Commerce Street, Suite 2101
Nashville, TN 37201
(615) 213-6301
guy.hicks@att.com
joelle.phillips@att.com

Robert Culpepper
675 W. Peachtree Street, Suite 4300
Atlanta, GA 30375
robert.culpepper@att.com

IV. Statement of Facts

Responding to the numbered paragraphs of Angles' Complaint, AT&T Tennessee alleges and states as follows:

1. AT&T Tennessee admits the allegations in paragraph 1 of the Complaint, on information and belief.

2. AT&T Tennessee admits the allegations in paragraph 2 of the Complaint.

3. AT&T Tennessee states in response to the allegations in paragraph 3 of the Complaint that Attachment 7, Section 1.7.2 of ICA speaks for itself. AT&T Tennessee denies that Angles has cited all portions of the parties' ICA that may be relevant in this matter.

4. AT&T Tennessee states in response to the allegations in paragraph 4 of the Complaint that Attachment 7, Section 2.1, General Terms and Conditions, Section 10, of the ICA speak for themselves. AT&T Tennessee denies that Angles has cited all portions of the parties' ICA that may be relevant in this matter.

5. AT&T Tennessee is without information to either admit or deny the allegations in paragraph 5 of the Complaint, except that AT&T Tennessee admits that it is aware that Angles has retained CGM to assist it in connection with its bills.

6. Responding to the allegations in paragraph 6 of the Complaint, AT&T Tennessee admits that Angles' access to an ordering system known as LENS was briefly suspended in June 2006 because Angles had failed to pay substantial amounts that were past due. AT&T Tennessee admits that in June 2006, Angles made a payment and that upon such payment LENS access was restored. AT&T denies the remaining allegations in paragraph 6 of the Complaint.

7. Responding to the allegations in paragraph 7 of the Complaint, AT&T Tennessee admits that AT&T Tennessee has sent at least three (3) suspension notices to Angles based on Angles' failure to pay amounts past due. AT&T Tennessee denies the remaining allegations in paragraph 7 of the Complaint, other than the allegation that Angles' access to LENS has not been interrupted since June 2006.

8. Responding to the allegations in paragraph 8 of the Complaint AT&T Tennessee admits that Angles made a \$75,000 payment in December 2006. AT&T Tennessee denies the remaining allegations in paragraph 8 of the Complaint, and in particular denies that Angles has provided documentation that supports its claims.

9. Responding to the allegations in paragraph 9 of the Complaint, AT&T Tennessee states that the suspension letter referenced therein speaks for itself and requires no response from AT&T Tennessee. AT&T Tennessee denies the remaining allegations in paragraph 9 of the Complaint.

10. AT&T Tennessee denies the allegations in paragraph 10 of the Complaint.

11. AT&T Tennessee denies the allegations in paragraph 11 of the Complaint.

12. Responding to the allegations in paragraph 12 of the Complaint, AT&T Tennessee makes reference to the parties' ICA, which speaks for itself and

requires no response from AT&T Tennessee. AT&T Tennessee denies the remaining allegations in paragraph 12 of the Complaint.

17. AT&T Tennessee denies the allegations in paragraph 17¹ of the Complaint.

V. Relief Sought

AT&T Tennessee denies that Angles is entitled to the relief sought in its Complaint.

AT&T Tennessee denies each and every allegation in the Complaint not expressly admitted herein, and demands strict proof thereof.

WHEREFORE, AT&T Tennessee respectfully requests that the Authority enter an Order:

1. Denying all of the relief sought in Angles' Complaint;
2. Requiring Angles to pay AT&T Tennessee all undisputed amounts owed within ten (10) days;
3. Requiring Angles to pay all disputed amounts into escrow within ten (10) days; and

¹ The Complaint does not contain any paragraphs numbered 13-16.

4. Granting such further relief as the Authority deems fair and equitable.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.
d/b/a AT&T TENNESSEE

By: 

Guy M. Hicks
Joelle J. Phillips
333 Commerce Street, Suite 2101
Nashville, TN 37201-3300
615/214-6301

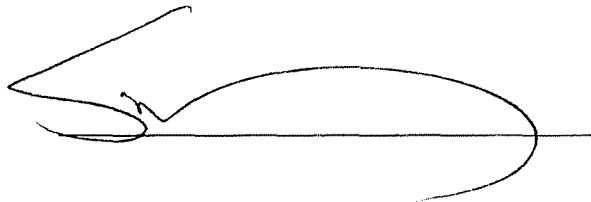
Robert Culpepper
675 W. Peachtree Street, Suite 4300
Atlanta, GA 30375

CERTIFICATE OF SERVICE

I hereby certify that on March 26, 2007, a copy of the foregoing document was served on the following, via the method indicated:

- Hand
- Mail
- Facsimile
- Overnight
- Electronic

Henry Walker, Esquire
Boult, Cummings, et al.
1600 Division St., Suite 400
Nashville, TN 37203
hwalker@boultcummings.com

A handwritten signature in black ink, appearing to read "H. Walker", written over a horizontal line.



AT&T Credit & Collections

600 North 19th Street
22nd Floor
Birmingham, Alabama 35203

June 28, 2007

BLC Management
Attention: Mr. Brian Cox
11121 Highway 70
Suite 202
Arlington, Tennessee 38002

PLEASE REMIT PAYMENT TO:
AT&T
PRO-CABS
250 Williams Street
Suite 5020 NW
Atlanta, Georgia 30303

Dear Mr. Cox:

Attempts to collect past due amounts from BLC Management have been unsuccessful and to date full payment has not been received. BLC Management's accounts are currently in default in the non disputed amount of \$430,953.36 and subject to disconnection. A breakdown of these accounts are \$35,277.95 in Florida, \$110,047.08 in Kentucky and \$285,628.33 in Mississippi. Pursuant to the current agreement between AT&T and BLC Management, AT&T will proceed with the discontinuance of existing services in Florida, Kentucky and Mississippi on July 12, 2007 if the full amount is not received in immediately available funds. Additionally, payments are expected for any current charges that may become due before July 12, 2007.

If service is interrupted, full non-recurring charges will be applicable to reestablish service.

If there is an outstanding request for new or additional security, that request will need to be addressed before service is re-established.

If any end users have a Local Service Freeze this freeze will be removed at the time of discontinuance to give the end user the ability to choose a new local service provider.

Pursuant to the Agreement, it is BLC Management's responsibility to notify its end users of this impending disconnection.

If you have questions regarding your account, please contact your Collections Service Representative, Jackie Whalen, at (205) 714-0134, Extension 6-7766.

Sincerely,

A handwritten signature in cursive script that reads "Leisa Mangina".

Leisa Mangina
Manager -- Credit and Collections
AT&T-Southeast