Steven L. Beshear Governor

Leonard K. Peters Secretary Energy and Environment Cabinet



Commonwealth of Kentucky **Public Service Commission** 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

July 15, 2008

David L. Armstrong Chairman

> James Gardner Vice-Chairman

> > John W. Clay Commissioner

PARTIES OF RECORD

Re: Case No. 2008-00203

Attached is a copy of the memorandum which is being filed in the record of the abovereferenced cases. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Amy Dougherty at 502/564-3940, Extension 257.

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Executive Director

Attachment

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INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: The File

FROM: Amy Dougherty

DATE: July 15, 2008

SUBJECT: Case No. 2008-00203

Investigation into Traffic Dispute between Brandenburg Telephone Company, Windstream Kentucky East and MCImetro d/b/a Verizon Access

On July 9, 2008 those persons named in the attached sign-in sheet appeared in person or by telephone to discuss procedural and substantive matters in this proceeding. The Commission staff had previously indicated the Commission's intent to schedule a public hearing for July 29, 2008. During the Informal Conference, two parties indicated that they had conflicts with that date. All parties, including Windstream, agreed that August 19, 2008 would be an appropriate date for the hearing.

Windstream's counsel indicated that it was likely that only one witness would be presented by Windstream. Kerry Smith will testify regarding Windstream's view of the improper use of its network. Windstream agreed that this case was about rates and not about damages. When we discussed Windstream's calculation of what it had previously termed "damages", Windstream said that what Brandenburg was utilizing of Windstream's network was not a service that Windstream offers. The "damages" were calculated using a proxy based on tariffed access rates. (See paragraph 12 of Windstream's filing). Further, Windstream asserted that it wanted out of the middle of the traffic exchange between Brandenburg and MCImetro, and that it wanted payment for the past use of its facilities.

Brandenburg indicated that it wanted an interconnection agreement with MCImetro, or it wanted MCImetro to order local circuits on Brandenburg's network to address the traffic exchange issues. Allison Willoughby will likely be Brandenburg's only witness.

Intra-Agency Memorandum July 15, 2008 Page 2

MCImetro asserted that it could carry its traffic to Elizabethtown or to Louisville, and that the issue was whether to do a "bill and keep" arrangement or provide reciprocal compensation. MCImetro was unsure about its witnesses to be presented.

The parties also discussed briefly two other pending cases that have related issues: Case No. 2008-00239 and Case No. 2007-00004.

The Informal Conference concluded with an agreement regarding the procedural schedule. The parties agreed to submit data requests by July 17, 2008, with responses due July 31, 2008. An issues list will be presented by each party by August 5, 2008, and direct testimony will be filed simultaneously by all parties by August 8, 2008. Simultaneous rebuttal testimony will be filed by August 15, 2008, and the hearing will be held August 19, 2008. The Informal Conference was then adjourned.

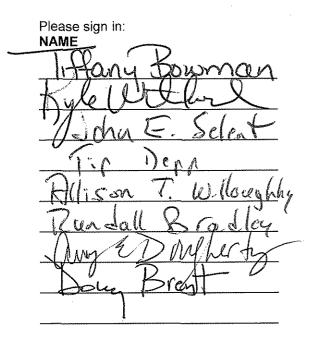
COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

AN INVESTIGATION INTO THE TRAFFIC DISPUTE BETWEEN WINDSTREAM KENTUCKY EAST, LLC, BRANDENBURG TELEPHONE COMPANY AND MCIMETRO ACCESS TRANSMISSION SERVICES, LLC D/B/A VERIZON ACCESS

CASE NO. 2008-00203

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July 9, 2008 Informal Conference



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Honorable Douglas F. Brent Attorney at Law Stoll Keenon Ogden, PLLC 2000 PNC Plaza 500 W Jefferson Street Louisville, KY 40202-2828 Daniel Logsdon Windstream Kentucky East, LLC 130 West New Circle Road Suite 170 Lexington, KY 40505

Allison T. Willoughby President Brandenburg Telecom, LLC 200 Telco Drive Brandenburg, KY 40108