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JAN 30 2012

PUBLIC SERVICE
COMMISSION

January 29, 2012

Mr. Jeff DeRouen
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40601

*RE: BellSouth Telecommunications, Inc. v. BLC Management LLC, et al.
Case Nos. 2010-00023, 2010-00026, 2010-00029*

Dear Mr. DeRouen:

Enclosed for filing in the above-referenced matter are an original and ten copies of a Joint Status Report. The Commission has required these to be filed every 90 days in each of the referenced cases.

Please indicate receipt of this filing by placing your file stamp on the extra copy and returning to me via our runner.

Very truly yours,

STOLL KEENON OGDEN PLLC

Douglas F. Brent

DFB:

Enclosures

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

JAN 30 2012

PUBLIC SERVICE
COMMISSION

BELLSOUTH TELECOMMUNICATIONS, INC.)
d/b/a AT&T SOUTHEAST)
d/b/a AT&T KENTUCKY)
Complainant)

v.)

Case No.: 2010-00023

BLC MANAGEMENT LLC d/b/a ANGLES))
COMMUNICATIONS SOLUTIONS)
Defendant)

BELLSOUTH TELECOMMUNICATIONS, INC.)
d/b/a AT&T SOUTHEAST)
d/b/a AT&T KENTUCKY)
Complainant)

v.)

Case No.: 2010-00026

LIFECONNEX TELECOM, LLC)
f/k/a SWIFTEL LLC)
Defendant)

BELLSOUTH TELECOMMUNICATIONS, INC.)
d/b/a AT&T SOUTHEAST)
d/b/a AT&T KENTUCKY)
Complainant)

v.)

Case No.: 2010-00029

DPI TELECONNECT, LLC)
Defendant)

JOINT STATUS REPORT

BellSouth Telecommunications, Inc., d/b/a AT&T Southeast, d/b/a AT&T Kentucky (“AT&T Kentucky”), and BLC Management LLC d/b/a Angles Communications Solutions (“Angles”), LifeConnex Telecom, LLC f/k/a Swiftel LLC (“LifeConnex”), and dPi Teleconnect,

LLC (“dPi”) file this joint status report in accordance with the Order entered by the Kentucky Public Service Commission (“Commission”) on April 19, 2011.

By Order dated July 14, 2010, the Commission granted the Parties’ motion to hold the above-captioned matters in abeyance pending the resolution of similar cases pending in other states (*i.e.*, Alabama, Louisiana, North Carolina and South Carolina), and required the Parties to submit a progress report by November 1, 2010, which the Parties did. By Order dated December 14, 2010, the Commission continued to hold these cases in abeyance and required that the Parties submit a joint status report on or before March 1, 2011, which the Parties did. By Order dated April 19, 2011, the Commission continued to hold these cases in abeyance and required that the Parties submit a joint status report no later than August 1, 2011, and every 90 days thereafter.

Since the Parties’ status report filed on November 1, 2011, the current status of the proceedings in each of the similar cases pending in other states is as follows:

Alabama. An administrative law judge presided over an evidentiary hearing on January 21, 2011, and the parties have submitted initial and reply post-hearing briefs. The matter is ripe for a decision on the merits by the Alabama Commission.


Louisiana. An administrative law judge (ALJ) presided over an evidentiary hearing on November 4-5, 2010, and on August 18, 2011 the judge issued a final recommendation adopting AT&T’s position on each of the three issues in the proceeding. Following oral argument by the parties and Commission Staff before the full Commission, on September 28, 2011, the Louisiana Commission issued an Order remanding this matter to the ALJ “for further consideration of the calculation methodology to be applied to cash back promotions.” The ALJ heard oral argument from the parties on December 1, 2011, and the matter is ripe for a decision by the ALJ.

North Carolina. On September 22, 2011, the North Carolina Commission entered an order adopting AT&T's position on each of the three issues in the proceeding. On or about October 20, 2011, dPi Teleconnect, LLC, Image Access, Inc. d/b/a NewPhone, Affordable Phone Services, Inc. and BLC Management, LLC d/b/a Angles Communications Solutions filed a Complaint and Request for Declaratory and Injunctive Relief in the United States District Court for the Eastern District of North Carolina, Case No. 5:11-cv-576-FL.

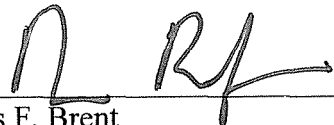
South Carolina. The South Carolina Commission presided over an evidentiary hearing on December 15, 2010, and the parties have submitted post-hearing briefs and proposed orders. The South Carolina Office of Regulatory Staff subsequently submitted a recommendation to the Commission. The Commission heard oral argument on August 24, 2011. On November 9, 2011 the South Carolina Commission issued a written directive summarizing its vote, and it will issue a written order memorializing its decision in the future. The Directive finds that where the cashback benefit exceeds the first month's price of the underlying service, the resale discount should not be applied to the cashback benefit, and it adopts AT&T's position in every other respect.

Given these developments, the Parties believe it appropriate for the Commission to continue to hold these cases in abeyance pending the resolution of these similar cases in other states involving the same parties.

Respectfully submitted,


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