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December 1, 2010

RECEIVED

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PUBLIC SERVICE
COMMISSION

VIA OVERNIGHT MAIL

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

Re: Nexus Communications, Inc., Complainant v. BellSouth
Telecommunications, Inc., d/b/a AT&T Kentucky, Defendant
PSC 2010-00444

Dear Mr. Derouen:

Enclosed for filing in the above-captioned case are the original and ten (10) copies of Answer of AT&T Kentucky.

Please let me know if you have any questions.

Sincerely,


Mary K. Keyer

Enclosures

cc: Party of Record

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5. AT&T Kentucky admits that the provisions of federal law cited in Paragraph 5 of the Complaint and its sub-parts say what they say, and denies any allegations to the contrary contained in Paragraph 5 of the Complaint.

6. AT&T Kentucky admits that it has made available certain promotional offerings to its retail customers that have lasted for more than 90 days and denies the remaining allegations in Paragraph 6 of the Complaint.

7. AT&T Kentucky admits that it has made available certain cashback promotional offerings to its retail customers and denies the remaining allegations in Paragraph 7 of the Complaint.

8. With respect to Paragraph 8 of the Complaint, AT&T Kentucky admits that to the extent a reseller like Nexus is entitled to the benefit of the cashback component of a promotional offering, the maximum amount to which it is entitled is the face value of the retail cashback component reduced by the Commission-approved resale discount rate set forth in the Parties' ICA(s). AT&T Kentucky denies any allegations to the contrary in Paragraph 8 of the Complaint.

9. AT&T Kentucky denies the allegations in Paragraph 9 of the Complaint.

10. AT&T Kentucky denies the allegations in Paragraph 10 of the Complaint.

11. AT&T Kentucky denies the allegations in Paragraph 11 of the Complaint.

12. AT&T Kentucky denies the allegations in Paragraph 12 of the Complaint.

13. AT&T Kentucky denies the allegations in Paragraph 13 of the Complaint.

14. AT&T Kentucky denies the allegations in Paragraph 14 of the Complaint.

15. AT&T Kentucky denies the allegations in Paragraph 15 of the Complaint.

16. AT&T Kentucky denies that Nexus is entitled to any of the relief requested in the Wherefore clause of the Complaint.

17. AT&T Kentucky denies any and all allegations in the Complaint that are not expressly admitted herein.

AFFIRMATIVE DEFENSES

18. The Complaint fails to state a claim upon which relief can be granted.

19. The Complaint should be dismissed because Nexus is not represented by an attorney admitted to practice law in Kentucky or by an attorney who has met the requirements of SCR 3.030.

20. Nexus did not notify AT&T Kentucky in writing upon the discovery of a billing dispute as required by the Parties' ICA(s).

21. Nexus's claims are barred by the doctrines of laches, estoppel, and waiver.

22. Nexus's claims are barred by the statute of limitations.

WHEREFORE, having responded to the Complaint, AT&T Kentucky respectfully requests that the Commission issue an Order dismissing the Complaint and granting such further relief as the Commission deems just and proper.

Respectfully submitted this 1st day of December, 2010.



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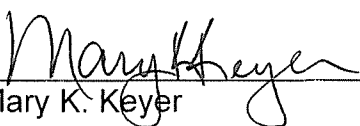
COUNSEL FOR BELL SOUTH
TELECOMMUNICATIONS, INC.
D/B/A AT&T KENTUCKY

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CERTIFICATE OF SERVICE – PSC 2010-00444

I hereby certify that a copy of the foregoing was served on the following individual by mailing a copy thereof via U.S. Mail, this 1st day of December 2010.

Christopher Malish
Malish & Cowan, PLLC
1403 W. 6th Street
Austin, TX 78703



Mary K. Keyer