



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

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

January 19, 2011

PARTIES OF RECORD

Re: Case No. 2010-00444

Attached is a copy of the memorandum which is being filed in the record of the above-referenced case. 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 Jeb Pinney at 502-564-3940, Extension 427.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

JP:kar
Attachment

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Main Case File 2010-00444
FROM: J.E.B. Pinney, Staff Attorney *J.E.P.*
DATE: January 19, 2011
SUBJECT: Case No. 2010-00444
Nexus Communications, Inc. v. BellSouth Telecommunications, Inc. d/b/a
AT&T Kentucky

On January 11, 2011 representatives for Nexus Communications, Inc. ("Nexus") and BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky ("AT&T Kentucky") participated with Commission Staff in a telephonic informal conference regarding the above styled case. A copy of the sign-in sheet of those who participated is attached.

The purpose of the meeting was to discuss establishing an agreed procedural schedule and to discuss any other issues that may arise. Commission Staff inquired if there was a possibility of a settlement on the complaint. Nexus responded that it was an "up or down" issue and that the issue was being litigated in several other jurisdictions. Nexus stated that it filed its complaint with the Commission to secure standing in Kentucky.

AT&T Kentucky stated that from AT&T Kentucky's perspective, it was not sure what the claims were, did not know to what promotions Nexus was referring, did not know the amounts in dispute and did not know if it agreed or disagreed with many of the allegations.

Nexus stated that all cash back promotions were at issue, therefore, the exact amounts were not at issue.

AT&T Kentucky stated it could possibly agree to stipulate the issues when the parties could agree as to what issues are in dispute in the case. Counsel for Nexus noted that the outcome in Kentucky could be determined by the outcome of similar cases in other jurisdictions.

AT&T Kentucky also raised the issue that it appeared Nexus had not been paying its recent bills from AT&T Kentucky. Nexus' counsel agreed to check on whether or not this was accurate.

There was further discussion as to what was occurring in a similar case in Arkansas and that Nexus may have withdrawn the complaint because the amount in dispute was not very large.

Commission Staff suggested that the parties submit a joint proposed procedural schedule. Commission Staff also stated that it had no reservations if the parties opted to hold the case in abeyance pending the outcome of litigation in the other jurisdictions.

The parties stated that they would need at least 30 days to discuss the next procedural step. Commission Staff recommended that they notify the Commission of their next step within 30 days of the issuance of the informal conference memorandum.

The conference then adjourned.

