

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BALLARD RURAL TELEPHONE)	
COOPERATIVE CORPORATION, INC., ET AL.)	
)	
COMPLAINANTS)	
)	
V.)	
)	
BELLSOUTH TELECOMMUNICATIONS, INC.)	
D/B/A AT&T KENTUCKY)	
)	
DEFENDANT)	CASE NO.
)	2011-00199
AND)	
)	
BELLSOUTH TELECOMMUNICATIONS, INC.)	
D/B/A AT&T KENTUCKY)	
)	
THIRD PARTY COMPLAINANT)	
)	
V.)	
)	
HALO WIRELESS, INC)	
)	
THIRD PARTY DEFENDANT)	

ORDER

On February 24, 2013, several Rural Local Exchange Carriers¹ and BellSouth Telecommunications, LLC, d/b/a AT&T Kentucky (“AT&T Kentucky”), jointly filed with

¹ Ballard Rural Telephone Cooperative Corporation, Inc., Brandenburg Telephone Company, Duo County Telephone Cooperative Corporation, Inc., Foothills Rural Telephone Cooperative, Inc., Gearhart Communications Co., Inc., Highland Telephone Cooperative, Inc., Logan Telephone Cooperative, Inc., Mountain Rural Telephone Cooperative, Inc., North Central Telephone Cooperative Corporation, Peoples Rural Telephone Cooperative, Inc., South Central Rural Telephone Cooperative Corporation, Inc., Thacker-Grigsby Telephone Company, Inc., and West Kentucky Rural Telephone Cooperative Corporation, Inc. (collectively the “RLECs”).

the Commission a motion to stay the procedural schedule in this case. As grounds for their motion, the parties stated that the parties had met in person and discussed potential settlement. At the meeting, the parties exchanged information and formal written settlement proposals and, although a final settlement had not been reached, significant progress had been made towards that end. The parties stated that providing additional time for settlement will allow for the most orderly and efficient adjudication of this matter.

On March 18, 2014, the Commission entered an Order granting, in part, the parties' motion. The Commission ordered the case to be held in abeyance for an additional 60 days and directed the parties to file a report detailing the status of settlement negotiations within 30 days of the date of the Order. The Order also provided that if no settlement was reached within 60 days of the date of the Order, the Commission would issue an amended procedural schedule. The time in which to reach a settlement expired on May 19, 2014.

On May 19, 2014, the parties filed a joint status report and a joint motion for an extension of time. The parties detailed their negotiations and also stated that the issues were quite complex and involved settlement negotiations for several other cases before the Commission.² The parties stated that there are 13 separate RLECs to this action, each with its own claims, requiring individual consultation from counsel regarding each

² The cases included in settlement discussions are: Case No. 2012-00529, *Petition of Cumberland Cellular, Inc. d/b/a Duo County Telecom for Arbitration of Certain Terms and Conditions of Proposed Interconnection Agreement With BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky Pursuant to the PSC Act of 1934 as Amended by the Telecommunications Act of 1996* (filed Nov. 30, 2012); Case No. 2013-00168 Case No. 2013-00168, *Cumberland Cellular, Inc. d/b/a Duo County Telecom v. BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky* (filed Apr. 26, 2013); and, Case No. 2013-00392, *AT&T Corp. v Mountain Rural Telephone Cooperative Corp. and Thacker-Grigsby Telephone Co., Inc.* (filed Nov. 7, 2013).

proposal and counterproposal. The parties also stated that they are working to address prospectively certain aspects of the relationship between AT&T Kentucky and the RLECs, asserting that if they can reach agreement on these issues, it would lessen Commission involvement in the future regarding transactions between the parties. The parties claim that they have made substantial progress toward reaching a settlement and that additional time would be beneficial. The parties state, however, that if settlement appears unlikely, they will request an informal conference for the purposes of establishing a procedural schedule.

The parties filed subsequent status reports on June 20, 2014, and July 24, 2014. The reports demonstrate that several proposals and counter proposals have been exchanged between the parties, the latest settlement proposal being sent to AT&T Kentucky on July 21, 2014. The parties state that they are optimistic that they can reach a settlement if allowed adequate time to do so.

The Commission has previously stated that the parties have had ample opportunity to reach a settlement in this matter. This may be true if the issues in the proceeding are the sole issues being discussed. However, as discussed *supra*, the parties are engaged in settlement negotiations to resolve not only the issues brought forth in this proceeding, but also to resolve issues regarding future conduct and to resolve other cases pending before the Commission, which warrants additional time in which to reach a settlement. The additional time should not be indefinite to ensure that the parties continue to seek resolution and that the case does not sit idle. The Commission will deny the joint motion but will allow for time to reach settlement before

the procedural schedule begins. If no settlement is reached, the parties will be required to abide by the procedural schedule attached as an Appendix to this Order.

Based on the foregoing, IT IS HEREBY ORDERED that:

1. The joint motion to hold this case in abeyance is denied.

2. The parties shall file a joint status report detailing the status of the negotiations every 30 days from the date of this Order.

3. The parties shall abide by the procedural schedule attached as an Appendix to this Order. The procedural schedule set forth in the Appendix to this Order shall be followed in this proceeding.

4. a. All requests for information and responses thereto shall be appropriately bound, tabbed, and indexed, and the original and ten copies shall be filed with the Commission, with copies to all parties of record. Any request for information by letter from the Commission Staff shall be responded to as if set forth in a Commission Order. All responses shall include the name of the witness responsible for responding to questions related to the information provided.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or an association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. A party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

4. Any party filing testimony shall file an original and ten copies with the Commission, with copies to all parties of record.

5. At any public hearing in this matter, neither opening statements nor summarization of direct testimony shall be permitted.

6. Any objections or motions relating to discovery or procedural dates shall be filed within four business days' notice or the filing party shall explain, in writing, why such notice was not possible.

7. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

8. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission

ENTERED AUG 27 2014 KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00199 DATED **AUG 27 2014**

- Initial Requests for Information shall be filed with the Commission and served on all parties no later than.....11/17/2014
- Reponses to Initial Requests for Information already filed shall be filed no later than 11/17/2014
- Simultaneous Direct Testimony shall be filed and served on all parties no later than.....12/01/2014
- Second Requests for Information filed with the Commission and served on all parties no later than.....01/05/2015
- Responses to Second Requests for Information shall be filed no later than....01/26/2015
- Simultaneous Rebuttal Testimony shall be filed and served on all parties no later than.....02/16/2015
- A Public Hearing will be held at the Commission's offices in Frankfort, Kentucky beginning at 10:00 a.m. Eastern Daylight Time on.....04/14/2015
- Simultaneous post-hearing briefs shall be filed no later than.....05/14/2015
- Simultaneous post-hearing reply briefs shall be filed no later than05/28/2015

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