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PUBLIC SERVICE
COMMISSION

April 22, 2013

Via Hand Delivery

Hon. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40601

***Re: In the Matter of Ballard Rural Telephone Cooperative Corporation,
Inc., et al., v BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky
and Halo Wireless, Case No. 2011-00199***

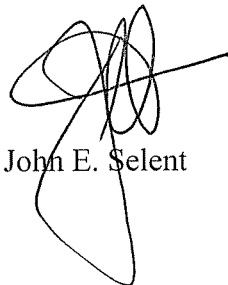
Dear Mr. Derouen:

With this letter I am enclosing one (1) original and eleven (11) copies of the RLECs' Reply to AT&T Kentucky's Response to RLECs' Motion to Establish Procedural Schedule in regard to the above matter.

Thank you, and if you have any questions, please call me.

Very truly yours,

DINSMORE & SHOHL LLP



John E. Selent

JES/bmt
Enclosure

cc: All Parties of Record

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PUBLIC SERVICE
COMMISSION

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)
v.)
)
HALO WIRELESS, INC.)
DEFENDANT)

CASE No. 2011-00199

**REPLY TO AT&T KENTUCKY’S RESPONSE TO RLECS’ MOTION TO
ESTABLISH PROCEDURAL SCHEDULE**

Ballard Rural Telephone Cooperative Corporation, Inc. (“Ballard Rural”), Brandenburg Telephone Company (“Brandenburg”), Duo County Telephone Cooperative Corporation, Inc. (“Duo County”), Foothills Rural Telephone Cooperative, Inc. (“Foothills”), Gearheart Communications Co., Inc. (“Gearheart”), Highland Telephone Cooperative, Inc. (“Highland”), Logan Telephone Cooperative, Inc. (“Logan Telephone”), Mountain Rural Telephone Cooperative Corporation, Inc. (“Mountain Rural”), North Central Telephone Cooperative Corporation (“North Central”), Peoples Rural Telephone Cooperative, Inc. (“Peoples”), South Central Rural Telephone Cooperative Corporation, Inc. (“South Central”), Thacker-Grigsby Telephone Company, Inc. (“Thacker-Grigsby”), and West Kentucky Rural Telephone Cooperative Corporation, Inc. (“West Kentucky”) (collectively, the “RLECs”), by counsel, hereby reply to BellSouth Telecommunications, LLC d/b/a AT&T Kentucky’s (“AT&T Kentucky”) response and proposed procedural schedule.

The RLECs ask that the Public Service Commission of the Commonwealth of Kentucky (the “Commission”) deny AT&T Kentucky’s proposed procedural schedule and, instead, adopt the RLECs’ proposed procedural schedule set forth in its Motion to Establish Procedural Schedule filed with the Commission on April 9, 2013.

Were the Commission to adopt AT&T Kentucky’s proposed procedural schedule, this matter would not be resolved until March of 2014, three years after AT&T Kentucky recognized that Halo Wireless’s usage presented a serious issue and notified the RLECs of its intention to cease compensating the RLECs for fees related to Halo Wireless’s access. AT&T Kentucky’s proposal is just a thinly veiled attempt to delay, particularly when one considers both the narrow scope of the legal issue presented by this matter and the fact that this legal issue is very similar to that previously resolved by the Commission against AT&T Kentucky in *South Central Telecom LLC v. BellSouth Telecommunications, Inc.*, P.S.C. Case No. 2006-00448.

In addition, AT&T Kentucky’s proposed procedural schedule is far more extensive than is necessary. In particular, AT&T Kentucky requests a sixty day window for the parties to discuss settlement, narrowing of the issues, and potential stipulations of facts. As previously stated, the legal issue presented in this matter is quite narrow, and a very similar issue has been previously reviewed and resolved by the Commission in the *South Central Telecom* case. The parties hereto have already been meeting to pursue settlement, and they will continue to do so during the pendency of this matter, as is typical in all litigation.

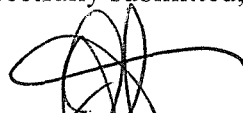
Moreover, AT&T Kentucky’s allegation that it is waiting for information from the RLECS is inaccurate; to the contrary, AT&T Kentucky is supposed to be gathering information to present to the RLECs. Regardless, settlement discussions are ongoing, and there is no need to implement a more time consuming procedural schedule in order to facilitate these discussions.

Negotiations between the parties are ongoing, and a drawn out procedural schedule will not hasten a resolution. It will only impede it.

Finally, there is no need for the parties to file two rounds of post-hearing briefs in this matter. The Commission is already well aware of the underlying facts of this matter and has previously reviewed and resolved a similar legal issue in the *South Central Telecom* case. Requiring a second round of briefs would be an inefficient use of the Commission's time and resources and will only serve to further delay resolution and increase costs for all.

AT&T Kentucky is not "just as interested in getting this case concluded as the RLECS." AT&T Kentucky holds the money owed to the RLECs and consequently has no incentive to resolve this matter expeditiously. Therefore, the RLECs respectfully request that the Commission adopt the procedural schedule proposed by the RLECs in their April 9, 2013 Motion to Establish Procedural Schedule. The RLEC's procedural schedule will get this matter resolved more efficiently and timely than the schedule prepared by AT&T Kentucky.

Respectfully submitted,



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Counsel to the RLECs

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by U.S. mail this 22nd day of April, 2013, on the following individuals:

BELLSOUTH TELECOMMUNICATIONS, INC.
D/B/A AT&T KENTUCKY:

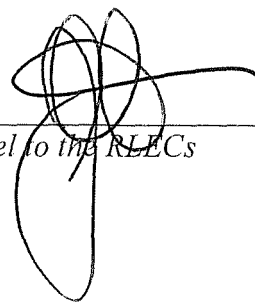
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