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August 14, 2008

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PUBLIC SERVICE
COMMISSION

VIA FEDERAL EXPRESS

Ms. Stephanie Stumbo
Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

RE: An Inquiry Into Universal Service and Funding Issues
Administrative Case No. 360

Dear Ms. Stumbo:

Pursuant to ordering paragraphs 1 and 2 of the Commission's Order dated July 23, 2008, Dobson Communications Corporation ("Dobson") files this status report concerning two areas, KY-6 Madison RSA and KY-8 Mason RSA, for which Dobson has not yet completed its audit.¹ On November 15, 2007, Dobson became a wholly owned subsidiary of AT&T Inc. As a condition of the Federal Communications Commission's ("FCC") approval of the Dobson/AT&T merger, the FCC ordered that operating units in certain areas be divested, including the KY-6 Madison RSA and the KY-8 Mason RSA.²

American Cellular Corporation ("ACC") remained a subsidiary of Dobson following the merger. On February 25, 2008, AT&T notified the Kentucky Public Service Commission ("Commission") of the AT&T/Dobson merger and that AT&T intended to merge ACC into New Cingular Wireless, LLC ("AT&T Mobility") with the exception of the KY-6 Madison and KY-8 Mason RSAs. On April 14, 2008, the Commission approved this request to transfer the ETC designation of ACC to AT&T Mobility for those areas in which ACC was previously designated as an ETC and which the FCC did not order AT&T Mobility to divest and that ACC will remain

¹ 1. No later than August 15, 2008, AT&T Kentucky and all other ETCs shall submit a status report regarding the progress made on concluding the annual Lifeline audit report. 2. For all ETCs unable to submit their completed Lifeline reports by August 15, 2008, status reports shall be submitted to the Commission every 30 days thereafter until the Lifeline audit is concluded.

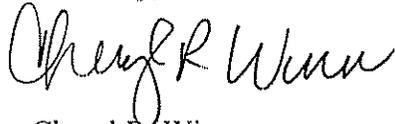
² *In the Matter of Applications of AT&T Inc., and Dobson Communications Corporation, For Consent to Transfer Control of Licenses and Authorizations, File Nos. 0003092368 et al, Memorandum Opinion and Order*, WT Docket No. 07-153. ("Dobson Merger Approval"), (rel. Nov. 19, 2007), ¶88.

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the designated ETC in KY-6 and KY-8 until it divests itself of those areas.³ The divestiture of KY-6 and KY-8 has not yet occurred and those two markets are still being managed by a trustee.

Although AT&T Mobility is submitting the required verification by August 15, 2008, for its Lifeline customers, it recently discovered that the ACC customers in KY-6 and KY-8 had not yet been surveyed. Accordingly, ACC is now in the process of completing the audit of ACC customers in KY-6 and KY-8 and will report the results to the Commission as soon as the audit is complete. Pursuant to ordering paragraph 2 of the Commission's July 23, 2008, Order, ACC will provide a status report to the Commission every 30 days until the audit is complete and the results are reported to the Commission.

Sincerely,



Cheryl R. Winn
Counsel for AT&T Mobility

-and-

Cynthia Manheim
Counsel for AT&T Mobility

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³In the Matter of New Cingular Wireless PCS, LLC ("AT&T Mobility") Notice of Acquisition and Request for Transfer of Eligible Telecommunications Carrier Designation, Case No. 2008-00077, Ordering Paragraph 2 and 3.