Dinsmore Shohl LLP

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August 14, 2007

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COMMISSION I

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AUG 15 2007

PUBLIC SERVICE COMMISSION

VIA FEDERAL EXPRESS

Hon. Beth O'Donnell Executive Director Public Service Commission 211 Sower Blvd. P. O. Box 615 Frankfort, KY 40601

Re: Administrative Case No. 360, An Inquiry Into Universal Service and Funding

Issues

Dear Ms. O'Donnell:

We are legal counsel to Bluegrass Wireless, LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership, and Cumberland Cellular Partnership (collectively "Bluegrass Cellular"). In that capacity, we have been requested to respond to the May 24, 2007 Order of the Public Service Commission (the "Commission") ordering all eligible telecommunications carriers to perform an annual audit of their entire Lifeline subscribership and to submit the results of the audit to the Commission by no later than August 15, 2007. Accordingly, the following are the results of Bluegrass Cellular's audit of its Lifeline subscribership.

1688

DayLon

Number of Lifeline Customers:

Bluegrass Wireless

RSA #3 2355

RSA #4 1206

Cumberland Cellular 1652

TOTAL: 6901

Number of Lifeline Customers who responded to audit request:

RSA #3 2029

RSA #4 1073

1400 PNC Plaza, 500 West Jefferson Street Louisville, KY 40202 502.540.2300 502.585.2207 fax www.dinslaw.com

| Cumberland | Cellular | 1533 |
|------------|----------|------|
| Cumbulanu | Comman | 1000 |

Bluegrass Wireless <u>1435</u>

TOTAL: 6070

Number of Lifeline Customers who are no longer eligible:

RSA #4 9

Cumberland Cellular 8

Bluegrass Wireless 2

TOTAL: 33

Thank you, and if you have any questions with regard to this matter, please call me.

Very truly yours,

DINSMORE & SHOHL LLP

Holly C. Wallace

HCW/rk