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Elizabeth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

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**PUBLIC SERVICE
COMMISSION**

Re: A Certification of the Carriers Receiving Universal Service High-Cost
Support, Administrative Case 381

Dear Ms. O'Donnell:

The Commission's September 27, 2002 Order in Administrative Case 381 requires that recipients of Federal Universal Service High-Cost Support provide information to the Commission by September 1 of each year regarding the use of those funds. The Commission, in turn, must certify to the FCC pursuant to the state certification process set out in 47 C.F.R §54.313 that such funds are used appropriately. The attached Affidavit from Joan Coleman, Vice President – Regulatory and External Affairs, serves as BellSouth's response regarding the use of those funds for 2005.

Should you wish any further information, please do not hesitate to contact me.

Sincerely,


Dorothy J. Chambers

Enclosure

cc: Parties of Record

547670

AFFIDAVIT OF JOAN COLEMAN

Comes the Affiant, Joan Coleman, and after being duly sworn states as follows:

1. I have personal knowledge of the facts stated herein. I am competent to testify to the facts, which are stated to the best of my knowledge and recollection.
2. I have been employed by BellSouth Telecommunications, Inc. ("BellSouth") or its predecessor corporations for 18 years. I currently am Vice President – Regulatory and External Affairs for BellSouth in the Commonwealth of Kentucky.
3. In the Kentucky Public Service Commission's September 27, 2002 Order in Administrative Case No. 381, carriers were ordered to file with the Commission their plans for use of high-cost federal support by September 1st of each year.
4. BellSouth has approximately \$500,000 of rate reductions embedded in its rate structure related to hold harmless support. In 2000, BellSouth received approximately \$500,000 of incremental new support that was offset by a reduction in intrastate access charges.