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September 17, 2008

Stephanie L. Stumbo Executive Director Kentucky Public Service Commission P.O. Box 615 211 Sower Boulevard Frankfort, KY 40601 SEP 1 9 2008



RE: Petition of BLC Management LLC d/b/a Angles Communications Solutions for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky

Dear Ms. Stumbo:

Enclosed are an original and ten copies of BLC Management LLC's Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky.

Please indicate receipt of these filings by placing your file stamp on the extra copy and returning to me via the enclosed, self-addressed, stamped envelope.

Very truly yours,

STOLL KEENON OGDEN PLLC

Douglas F. Brent

DFB:

Enclosures

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF

PETITION OF BLC MANAGEMENT LLC D/B/A ANGLES COMMUNICATION SOLUTIONS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE COMMONWEALTH OF KENTUCKY

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RECEIVED

PUBLIC SERVICE

CASE NO. 2008-<u>389</u>

PETITION OF BLC MANAGEMENT LLC D/B/A ANGLES COMMUNICATION' SOLUTIONS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE COMMONWEALTH OF KENTUCKY

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BLC Management LLC d/b/a Angles Communication Solutions ("BLC" or the "Applicant"), pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the "Act")¹ and Sections 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),² and the rules and regulations of the Kentucky Public Service Commission (the "Commission"), hereby applies to the Commission for certification as an Eligible Telecommunications Carrier ("ETC") throughout the BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky ("AT&T) service territory (the "Designated Service Area") for the purpose of receiving federal universal service support.³ The Applicant is seeking only low income support, and is not requesting high cost support. As demonstrated below, BLC satisfies all of the statutory and regulatory requirements for designation as an ETC in the Designated Service Area will service Area. Furthermore, designation of BLC as an ETC in the Designated Service Area will serve the public interest. Accordingly, BLC respectfully requests that the Commission grant this Application.

¹ 47 U.S.C. § 214(e)(2).

² 47 C.F.R. §§ 54.101-54.207.

All correspondence, communications, pleadings, notices, orders and decisions relating to

this Application should be addressed to:

Lance J.M. Steinhart Lance J.M. Steinhart, P.C. Attorney for Applicant 1720 Windward Concourse, Suite 115 Alpharetta, Georgia 30005 (770) 232-9200 (Phone) (770) 232-9208 (Fax) Isteinhart@telecomcounsel.com

With a copy to Applicant's local counsel:

Douglas F. Brent STOLL KEENON OGDEN PLLC 2000 PNC Plaza 500 West Jefferson Street Louisville, KY 40202 (502) 333 6000 (Phone) (502) (Fax) douglas.brent@skofirm.com

I. Background

1. BLC is a Tennessee limited liability company⁴ and is authorized to conduct business as a foreign corporation in the Commonwealth of Kentucky. Copies of the Applicant's Articles of Incorporation and authority to transact business in the Commonwealth of Kentucky are on file with the Commission and incorporated herein by reference. The Applicant is authorized to provide competitive local exchange services throughout Kentucky (Utility ID No. 5054430). The principal office of the Applicant is located at 11121 Highway 70, Suite 202, Arlington, Tennessee 38002. The telephone number of the Applicant is (901) 373-3103. The Applicant provides local exchange and exchange access services in the Designated Service Area using a combination of resale and unbundled network elements, or unbundled network

³ A list of each wire center which the Applicant is requesting ETC status in the Commonwealth of Kentucky is attached hereto as Exhibit 1.

BLC was organized in the State of Tennessee on February 23, 2001.

equivalents obtained through agreements ("UNEs") that allows end-to-end switching and delivery of calls.

2. As set forth in Section 214(e)(2) of the Act, the Commission "shall upon its own motion or upon request designate a common carrier that meets the requirements of [Section 214(e)(1)] as an eligible telecommunications carrier for a service area designated by the State commission."⁵ Upon designation as an ETC, the carrier shall be eligible to receive universal support in accordance with Section 254 of the Act.⁶

3. The requirements for designation as an ETC set forth in Section 214(e)(1) are that the carrier must:

(a) offer the services that are supported by Federal universal support mechanisms under section 254(c), either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications carrier); and

(b) advertise the availability of such services and the charges therefore using the media of general distribution.⁷

II. BLC Satisfies the Requirements for Designation as an ETC to Serve the Designated Service Area

4. BLC is a common carrier as that term is defined in the Act.⁸ The Applicant provides competitive local telecommunications services in the Designated Service Area pursuant to Utility ID No. 5054430 referenced above.

⁵ 47 U.S.C. § 214(e)(2); see 47 C.F.R. § 54.201(b) (FCC Rules citing the Act's requirements).

 $[\]begin{array}{c} 6 \\ 7 \\ 1 \\ d \end{array}$ 47 U.S.C. § 214(e)(1).

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⁸ See 47 U.S.C. § 153(10) ("the term 'common carrier' or 'carrier' means any person engaged as a common carrier for hire, in interstate or foreign communication by wire or radio or in interstate or foreign radio transmission of energy \ldots).

5. BLC offers all of the supported services enumerated under Section 254(c) using facilities obtained as UNEs, or the equivalents thereof. According to FCC Rules, facilities obtained as UNEs satisfy the requirement that an ETC provide the supported services using either its own facilities or a combination of its own facilities and resale of another carrier's services.⁹ Accordingly, the Applicant satisfies the requirement set forth in Section 214(e)(1)(A).

6. The services that are supported by Federal universal support mechanisms under section 254(c) are enumerated in the rules of the Federal Communications Commission ("FCC") at 47 C.F.R. § 54.101(a)(1)-(9). These services are:

(a) Voice grade access to the public switched network. "Voice grade access" is defined as a functionality that enables a user of telecommunications services to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call. For the purposes of this part, bandwidth for voice grade access should be, at a minimum, 300 to 3,000 Hertz. Applicant meets this requirement by providing voice-grade access to the public switched telephone network. All customers of Applicant are able to make and receive calls on the public switched telephone network within the specified bandwidth;

⁹ Section 54.201(f) of the FCC's Rules states, "[f]or the purposes of this section, the term 'own facilities' includes, but is not limited to, facilities obtained as unbundled network elements pursuant to Part 51 of this chapter, provided that such facilities meet the definition of the term 'facilities' under this subpart." 47 C.F.R. § 54.201(f). The term "facilities" under Section 54.201 is defined as "any physical components of the telecommunications network that are used in the transmission or routing of the services that are designated for support pursuant to subpart B of this part." 47 C.F.R. § 54.201(e). BLC's use of UNEs, including § 251 loops, or equivalents thereof, commingled with § 271 elements provided pursuant to an agreement filed with the Commission pursuant to § 252, meets this definition of "facilities."

(b) Local usage. "Local usage" means an amount of minutes of use of exchange service, prescribed by the FCC, provided free of charge to end users. Applicant includes specified quantities of usage in its rate plans and thereby complies with the requirement. It is important to note, that currently, there is no specific rule that requires an ETC to include any particular amount of local usage;

(c) Dual tone multi-frequency signaling or its functional equivalent. "Dual tone multi-frequency" (DTMF) is a method of signaling that facilitates the transportation of signaling through the network, shortening call set-up time. Applicant provides DTMF signaling to its customers, which is the equivalent of that offered by the incumbent LEC to its customers;

(d) Single-party service or its functional equivalent. "Single-party service" is telecommunications service that permits users to have exclusive use of a wireline subscriber loop or access line for each call placed, or, in the case of wireless telecommunications carriers, which use spectrum shared among users to provide service, a dedicated message path for the length of a user's particular transmission. Applicant meets the requirement of single-party service by providing a dedicated message path for the length of all customer calls;

(e) Access to emergency services. "Access to emergency services" includes access to services, such as 911 and enhanced 911, provided by local governments or other public safety organizations. 911 is defined as a service that permits a telecommunications user, by dialing the three-digit code "911,"

to call emergency services through a Public Service Access Point (PSAP) operated by the local government. "Enhanced 911" is defined as 911 service that includes the ability to provide automatic numbering information (ANI), which enables the PSAP to call back if the call is disconnected, and automatic location information (ALI), which permits emergency service providers to identify the geographic location of the calling party. "Access to emergency services" includes access to 911 and enhanced 911 services to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems. Through its agreements with AT&T, Applicant currently provides its subscribers access to 911 emergency services, and also provides Enhanced 911 services including Phase I and Phase II E911 services where requested by local public safety authorities ready to receive the information and where the local exchange carrier supports such services;

(f) Access to operator services. "Access to operator services" is defined as access to any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call. Operator services are offered by Applicant;

(g) Access to interexchange service. "Access to interexchange service" is defined as the use of the loop, as well as that portion of the switch that is paid for by the end user, or the functional equivalent of these network elements in the case of a wireless carrier, necessary to access an interexchange carrier's network. Applicant provides long distance access to its customers;

(h) Access to directory assistance. "Access to directory assistance" is defined as access to a service that includes, but is not limited to, making available to customers, upon request, information contained in directory listings. Applicant provides access to directory assistance to its customers; and

(i) Toll limitation for qualifying low-income consumers. Toll limitation for qualifying low-income consumers is linked to participation in the Lifeline program, which Applicant will participate in and offer upon designation as an ETC. Applicant will use the appropriate toll limitation technology to provide this required service at no additional charge to Lifeline customers.

7. Upon certification as an ETC, BLC will participate in, and offer LifeLine and Link-Up programs to qualifying low-income consumers and publicize the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those likely to qualify for those services, as required by FCC Rules.¹⁰ The FCC has concluded that even pure resellers may qualify as an ETC and properly use universal service support for the purposes for which it was intended by offering reduced price Lifeline service.¹¹

8. BLC will advertise the availability of the above-referenced services and the charges for those services in the Designated Service Area using media of general distribution, as required by FCC Rules.¹²

¹⁰ See 47 C.F.R. §§ 54.401-54.417; 54.405(b) & 54.411(d).

¹¹ See Federal-State Joint Board on Universal Service, Petition of Tracfone Wireless, Inc., 20 FCC Rcd 15095 (2005) (finding that because Lifeline support is customer-specific and is directly reflected in the price that the eligible customer pays, it is impossible for any carrier to receive a double recovery of the support).

² See 47 C.F.R. §§ 54.201(d)(2).

III. Area for Which ETC Certification Is Requested

9. BLC has served and will continue to serve the exchanges where it leases UNEs or resells the services of the non-rural telephone companies in the Designated Service Area. BLC does not seek certification as an ETC in any areas served by rural telephone companies.

IV. Granting BLC's Application Will Serve the Public Interest

10. Congress requires that the Commission grant competitive ETC applications in non-rural areas.¹³ No specific public interest test is mentioned, as is the case for areas served by rural telephone companies.¹⁴ Thus, the Act provides that the Commission "shall" designate BLC as an ETC upon finding that the company meets the nine-point list of services and that it agrees to advertise the supported services throughout the Designated Service Area. Notwithstanding, the designation of BLC as an ETC will serve the public interest.

11. BLC will announce and advertise telecommunications services as an ETC where it provides service in its Designated Service Area in Kentucky and will publicize the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those likely to qualify for those services. Accordingly, more low-income Kentucky residents will be made aware of the opportunities afforded to them under the Lifeline and Link-Up programs and will be able to take advantage of those opportunities by subscribing to BLC's service. BLC advertises its services through several different media of general distribution including (but not limited to) marketing at targeted retail locations, including rent-to-own centers, as well as advertisements via television, radio, newspapers and trade magazines. Copies of sample sales brochures are attached hereto as Exhibit 2. Copies of sample newspaper advertisements are attached hereto as Exhibit 3.

¹³ See 47 U.S.C. 214(e)(2).

¹⁴ See Id.

Since BLC's service is of particular interest to credit-challenged customers—many of whom are low income—who generally cannot obtain service from the incumbent carrier, the granting of ETC status is clearly in the public interest; access to Lifeline and Link-Up programs can be critically important to a significant portion of the eligible low income consumers. To Applicant's knowledge, Lifeline and Link-Up services are not being sufficiently advertised and made available to eligible low income consumers in the Designated Service Area. According to the best data available to Applicant, as of December 31, 2006, fewer than 20 per cent of consumers eligible for Lifeline and Linkup Services in the Commonwealth of Kentucky were being provided such services. *See* attached Exhibit 4, 2006 Lifeline Participation Rates by State, which was obtained from the Universal Service Administrative Company ("USAC"), an independent not-for-profit corporation designated as the administrator of the federal Universal Service Fund (USF) programs for high cost companies serving rural areas, low-income consumers, rural health care providers, and schools and libraries.

12. BLC will provide universal service as an ETC in all of its Designated Service Area.

13. BLC is willing to accept carrier of last resort obligations throughout the universal service areas in which BLC is designated as an ETC by the Commission.

14. BLC is aware that it may seek USF funding only with respect to those customers that it serves through the use of its own facilities (including unbundled network elements or equivalent facilities).

15. BLC will provide equal access to interexchange service.

16. Under FCC guidelines, an ETC Applicant must submit a five-year plan that describes with specificity proposed improvements or upgrades to the applicant's network on a wire center-by-wire center basis throughout its proposed Designated Service Area. The only circumstance warranting deviation from this requirement is where an applicant's requested ETC serving territory would qualify it to receive no "high cost" USF support, but only "low income" USF support. Because BLC seeks ETC designation solely for purposes of reimbursement for provision of subsidized Lifeline and Link-Up services to eligible customers, submission of a Five-Year Network Improvement Plan is not required at this time. Since Lifeline support is designed to reduce the monthly cost of telecommunications services for eligible consumers, and is distributed on a per-customer basis and is directly reflected in the price that the eligible customer pays, it is assured that all support received by the carrier is used to provide Lifeline services to consumers, thus promoting Lifeline and the availability of telephone service to low income users, which is clearly in the public interest.

17. Applicant offers a local usage plan comparable to the one offered by the incumbent LEC in the service areas for which it seeks designation. Applicant offers a local usage plan with unlimited calling within the customer's local calling area for a flat monthly fee with the same calling scope as AT&T Kentucky.

18. Under FCC guidelines, an ETC Applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards. 47 CFR §54.202(a)(3); see In the Matter of Federal-State Joint Board on Universal Service, Report and Order, CC Dkt. No. 96-45, 20 FCC Rcd 6371, para. 28 (2005) ("FCC ETC Order"). Applicant will satisfy all such standards. As part of its certification requirements for providing local exchange services, Applicant must abide by the service quality and consumer protection rules. In addition,

Applicant commits to reporting information on consumer complaints per 1,000 lines on an annual basis consistent with the FCC ETC Order. Applicant in general commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards.

19. Under FCC guidelines, an ETC Applicant must demonstrate its ability to remain functional in emergency situations. 47 CFR §54.202(a)(2); *see* FCC ETC Order at para 25. Applicant provides to its customers the same ability to remain functional in emergency situations as currently provided by AT&T Kentucky to its own customers, including access to a reasonable amount of back-up power, rerouting of traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations.

20. Under FCC guidelines, an ETC Applicant must commit to provide service throughout its proposed designated service area to all customers making a reasonable request for service. FCC ETC Order at Para 22; 47 CFR §54.202(a)(1)(i). Applicant commits to provide service throughout its proposed ETC-designated service area to all customers making a reasonable request for service.

21. Applicant's account is current with the FCC in regards to regulatory fees; and its account is current with the Universal Service Administrative Company in regards to universal service contributions. The Applicant is aware that there may be an audit of the use of universal service funds and that the eligible telecommunications service designation is reviewed annually by state commissions.

22. Applicant has been designated an ETC by the Alabama Public Service Commission, the Illinois Commerce Commission, and the North Carolina Public Utilities Commission. No state has denied any ETC petition filed by Applicant, nor have any such

petitions been withdrawn. Applicant has petitions for ETC status pending in the states of Florida, Louisiana and Tennessee.

23. By this application, Applicant hereby asserts its willingness and ability to comply with all the rules and regulations that the Commission may lawfully impose upon Applicant's provision of service contemplated by this application.

24. Upon Commission request, Applicant is prepared to answer questions or present additional testimony or other evidence about its services within the state.

IV. Relief Requested

For the foregoing reasons, BLC respectfully requests that the Commission grant

its application and designate the Applicant as an ETC in the Designated Service Area.

Respectfully submitted this 17th day of September, 2008.

By: /s/ Lance J.M. Steinhart Lance J.M. Steinhart, Esq. Lance J.M. Steinhart, P.C. 1720 Windward Concourse, Suite 115 Alpharetta, Georgia 30005 (770) 232-9200 (Phone) (770) 232-9208 (Fax) lsteinhart@telecomcounsel.com

and Bv:

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Counsel for BLC Management LLC d/b/a Angles Communication Solutions

List of Exhibits

Exhibit 1	Wire Centers
Exhibit 2	Sample Sales Brochures
Exhibit 2	Sample Newspaper Advertisement
Exhibit 4	2006 Lifeline Participation Rates by State

Exhibit 1

Wire Centers

STATE	STUDY	ILEC	WIRE CENTER CLLI	WIRE CENTER NAME
KY		BELL SOUTH	ALLNKYMA	ALLEN
KY		BELL SOUTH	AURRKYMA	AURORA
KY		BELL SOUTH	BDFRKYMA	BEDFORD
KY		BELL SOUTH	BGDDKYMA	BAGDAD
KY	265182	BELL SOUTH	BLFDKYMA	BLOOMFIELD
KY	265182	BELL SOUTH	BLSPKYMA	BLUFF SPRINGS
KY	265182	BELL SOUTH	BNLYKYMA	BENHAM LYNCH
KY I	265182	BELL SOUTH	BNTNKYMA	BENTON
KY I		BELL SOUTH	BRGNKYMA	BURGIN
KY T		BELL SOUTH	BRMNKYMA	BREMEN
KY		BELL SOUTH	BRTWKYES	BARDSTOWN
KY		BELL SOUTH	BVDMKYMA	BEAVER DAM
KY		BELL SOUTH	BWLGKYMA	BOWLING GREEN STATE STREET
	200102			BOWEING GREEN GIVE ON REET
KY	265182	BELL SOUTH	BWLGKYRV	BOWLING GREEN RICHARDSVILLE
KY		BELL SOUTH	BYVLKYMA	BEATTYVILLE
KY		BELL SOUTH	CADZKYMA	CADIZ
KY		BELL SOUTH	CHPLKYMA	CHAPLIN
KY I		BELL SOUTH		CLAY
KY		BELL SOUTH		CALHOUN
KY		BELL SOUTH	CLPTKYMA	CLOVERPORT
KY		BELL SOUTH	CLTNKYES	CLINTON
KY		BELL SOUTH	CMBGKYMA	CAMPBELLSBURG
KY		BELL SOUTH	CNCYKYMA	CENTRAL CITY
KY		BELL SOUTH		CANTON
KY KY		BELL SOUTH		CENTERTOWN
KY		BELL SOUTH		
				CROFTON
KY KY		BELL SOUTH		
		BELL SOUTH		
KY KY		BELL SOUTH	CRLSKYMA	CARLISLE
KT KY		BELL SOUTH		CARROLLTON
		BELL SOUTH		
KY		BELL SOUTH		
KY		BELL SOUTH		DANVILLE
KY (V		BELL SOUTH		DIXON
KY		BELL SOUTH	DRBOKYES	DRAKESBORO
(Y		BELL SOUTH	DWSPKYES	DAWSON SPRINGS
(Y		BELL SOUTH		EDDYVILLE
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(Y		BELL SOUTH	FDCKKYES	FEDSCREEK
(Y		BELL SOUTH	FDVLKYMA	FORDSVILLE
۲Y		BELL SOUTH	FEBRKYMA	FREEBURN
KY		BELL SOUTH	FKLNKYMA	FRANKLIN
KY		BELL SOUTH	FLTNKYMA	FULTON
(Y		BELL SOUTH	FNVLKYMA	FINCHVILLE
<u> </u>	265182	BELL SOUTH	FORDKYMA	FORD

STATE	STUDY	ILEC	WIRE CENTER CLLI	WIRE CENTER NAME
KY		BELL SOUTH	FRDNKYMA	FREDONIA
KY	265182	BELL SOUTH	FRFTKYES	FRANKFORT EAST
KY	265182	BELL SOUTH	FRFTKYMA	FRANKFORT MAIN
KY	265182	BELL SOUTH	GBVLKYMA	GILBERTSVILLE
KY	265182	BELL SOUTH	GHNTKYMA	GHENT
KY	265182	BELL SOUTH	GNVLKYMA	GREENVILLE
KY	265182	BELL SOUTH	GRACKYMA	GRACEY
KY	265182	BELL SOUTH	GRTWKYMA	GEORGETOWN
KY	265182	BELL SOUTH	GTHRKYMA	GUTHRIE
KY	265182	BELL SOUTH	HABTKYMA	HABIT
KY	265182	BELL SOUTH	HANSKYMA	HANSON
KY	265182	BELL SOUTH	HBVLKYMA	HEBBARDSVILLE
KY	265182	BELL SOUTH	HCMNKYMA	HICKMAN
KY	265182	BELL SOUTH	HDBGKYMA	HARRODSBURG
KY	265182	BELL SOUTH	HNSNKYMA	HENDERSON
KY	265182	BELL SOUTH	HPVLKYMA	HOPKINSVILLE
KY	265182	BELL SOUTH	HRBGKYES	HARDINSBURG
KY	265182	BELL SOUTH	HRFRKYMA	HARTFORD
KY	265182	BELL SOUTH	HRLNKYMA	HARLAN
KY	265182	BELL SOUTH	HWVLKYMA	HAWESVILLE
KY	265182	BELL SOUTH	INEZKYMA	INEZ
KY	265182	BELL SOUTH	ISLDKYMA	ISLAND
KY	265182	BELL SOUTH	JCSNKYMA	JACKSON
KY	265182	BELL SOUTH	JNCYKYMA	JUNCTION CITY
KY	265182	BELL SOUTH	KKVLKYMA	KIRKSVILLE
KY	265182	BELL SOUTH	LBJTKYMA	LEBANON JUNCTION
KY	265182	BELL SOUTH	LFYTKYMA	LAFAYETTE
KY	265182	BELL SOUTH	LGRNKYES	LAGRANGE
KY	265182	BELL SOUTH	LOUSKYES	LOUISA
KY	265182	BELL SOUTH	LRBGKYMA	LAWRENCEBURG
KY	265182	BELL SOUTH	LSVLKY26	26TH STREET
KY	265182	BELL SOUTH	LSVLKYAN	ANCHORAGE
KY	265182	BELL SOUTH	LSVLKYAP	CHESTNUT STREET
KY		BELL SOUTH	LSVLKYBE	BEECHMONT
KY		BELL SOUTH	LSVLKYBR	BARDSTOWN ROAD
KY		BELL SOUTH	LSVLKYCW	CRESTWOOD
KY		BELL SOUTH	LSVLKYFC	FERN CREEK
KY		BELL SOUTH	LSVLKYHA	HARRODS CREEK
KY		BELL SOUTH	LSVLKYJT	JEFFERSONTOWN
KY		BELL SOUTH	LSVLKYOA	OKOLONA
KY		BELL SOUTH	LSVLKYSH	SHIVELY
KY		BELL SOUTH	LSVLKYSL	SIX MILE LANE
KY		BELL SOUTH	LSVLKYSM	ST MATTHEWS
KY		BELL SOUTH	LSVLKYTS	THIRD STREET
KY		BELL SOUTH	LSVLKYVS	VALLEY STATION
KY	and the second se	BELL SOUTH	LSVLKYWE	WESTPORT ROAD
KY		BELL SOUTH	LVMRKYMA	LIVERMORE
KY		BELL SOUTH	MACEKYMA	MACEO
KY		BELL SOUTH	MARNKYMA	MARION
KY		BELL SOUTH	MARTKYMA	MARTIN
KY	265182	BELL SOUTH	MCDNKYMA	MCDANIELS

STATE	STUDY	ILEC	WIRE CENTER CLLI	WIRE CENTER NAME
KY	265182	BELL SOUTH	MCWLKYMA	MCDOWELL
KY	265182	BELL SOUTH	MDBOKYMA	MIDDLESBORO
KY	265182	BELL SOUTH	MDVIKYMA	MADISONVILLE
KY	265182	BELL SOUTH	MGFDKYMA	MORGANFIELD
KY	265182	BELL SOUTH	MGTWKYMA	MORGANTOWN
KY	265182	BELL SOUTH	MLBGKYMA	MILLERSBURG
KY	265182	BELL SOUTH	MLTNKYMA	MILTON
KY	265182	BELL SOUTH	MRGPKYMA	MORTONS GAP
KY	265182	BELL SOUTH	MRRYKYMA	MURRAY
KY	265182	BELL SOUTH	MTEDKYMA	MT EDEN
KY	265182	BELL SOUTH	MTSTKYMA	MT STERLING
KY	265182	BELL SOUTH	MYFDKYMA	MAYFIELD
KY	265182	BELL SOUTH	MYVLKYMA	MAYSVILLE
KY	265182	BELL SOUTH	NEBOKYMA	NEBO
KY	265182	BELL SOUTH	NEONKYES	NEON
KY		BELL SOUTH	NRVLKYMA	NORTONVILLE
KY		BELL SOUTH	NWHNKYMA	NEW HAVEN
KY		BELL SOUTH	OKGVKYES	OAK GROVE
KY		BELL SOUTH	OWBOKYMA	OWENSBORO
KY		BELL SOUTH	OWTNKYMA	OWENTON
KY		BELL SOUTH	PARSKYMA	PARIS
KY T		BELL SOUTH	PDCHKYIP	PADUCAH IFORMATION PARK
KY		BELL SOUTH	PDCHKYLO	PADUCAH LONE OAK
KY		BELL SOUTH	PDCHKYMA	PADUCAH KENTUCKY STREET
KY		BELL SOUTH	PDCHKYRL	PADUCAH REIDLAND
KY		BELL SOUTH	PIVLKYMA	PINEVILLE
KY		BELL SOUTH	PKVLKYMA	PIKEVILLE
KY T		BELL SOUTH	PKVLKYMT	PIKEVILLE META
KY		BELL SOUTH	PLRGKYMA	PLEASANT RIDGE
KY	1000	BELL SOUTH	PMBRKYMA	PEMBROKE
KY		BELL SOUTH	PNTHKYMA	PANTHER
KY		BELL SOUTH	PNVLKYMA	PAINTSVILLE
KY	265182	BELL SOUTH	PRBGKYES	PRESTONSBURG
KY	265182	BELL SOUTH	PRTNKYES	PRINCETON
KY	265182	BELL SOUTH	PRVDKYMA	PROVIDENCE
KY	265182	BELL SOUTH	PRVLKYMA	PERRYVILLE
KY		BELL SOUTH	PTRYKYMA	PORT ROYAL
KY		BELL SOUTH	RBRDKYMA	ROBARDS
KY		BELL SOUTH	RCMDKYMA	RICHMOND
KY		BELL SOUTH	RLVLKYMA	RUSSELLVILLE
KY		BELL SOUTH	RSTRKYES	ROSE TERRACE
KY		BELL SOUTH	SCRMKYMA	SACRAMENTO
KY T		BELL SOUTH	SDVLKYMA	SADIEVILLE
KY T		BELL SOUTH	SEBRKYMA	SEBREE
KY		BELL SOUTH	SHGVKYMA	SHARON GROVE
KY		BELL SOUTH	SHVLKYMA	SHELBYVILLE
KY		BELL SOUTH	SLGHKYMA	SLAUGHTERS
		BELL SOUTH	SLPHKYMA	SULPHUR
		BELL SOUTH	SLVSKYMA	SALVISA
(Y	265182 E	BELL SOUTH	SNTNKYMA	STANTON

STATE	STUDY	ILEC	WIRE CENTER CLLI	WIRE CENTER NAME
KY	265182	BELL SOUTH	SRGHKYMA	SORGHO
KY	265182	BELL SOUTH	SSVLKYMA	SIMPSONVILLE
KY	265182	BELL SOUTH	STCHKYMA	ST CHARLES
KY	265182	BELL SOUTH	STFRKYMA	STANFORD
KY	265182	BELL SOUTH	STGRKYMA	STAMPING GROUND
KY	265182	BELL SOUTH	STNLKYMA	STANLEY
KY	265182	BELL SOUTH	STONKYMA	STONE
KY	265182	BELL SOUTH	STRGKYMA	STURGIS
KY	265182	BELL SOUTH	SWSNKYMA	SOUTH WILLIAMSON
KY	265182	BELL SOUTH	TRENKYMA	TRENTON
KY	265182	BELL SOUTH	TYVLKYMA	TAYLORSVILLE
KY	265182	BELL SOUTH	UTICKYMA	UTICA
KY		BELL SOUTH	VIRGKYMA	VIRGIE
KY	265182	BELL SOUTH	WACOKYMA	WACO
KY	265182	BELL SOUTH	WDDYKYMA	WADDY
KY	265182	BELL SOUTH	WHBGKYMA	WHITESBURG
KY	265182	BELL SOUTH	WHVLKYMA	WHITESVILLE
KY	265182	BELL SOUTH	WLBGKYMA	WILLIAMSBURG
KY	265182	BELL SOUTH	WLCKKYES	WALLINS CREEK
KY	265182	BELL SOUTH	WLVLKYMA	WEST LOUISVILLE
KY	265182	BELL SOUTH	WNCHKYMA	WINCHESTER
KY	265182	BELL SOUTH	WNCHKYPV	PILOT VIEW
KY	265182	BELL SOUTH	WRFDKYMA	WARFIELD
KY	265182	BELL SOUTH	WSBGKYMA	WILLISBURG
KY	265182	BELL SOUTH	WSPNKYMA	WEST POINT
KY	265182	BELL SOUTH	WYLDKYES	WAYLAND

Exhibit 2 Sample Sales Brochures

FREE MONTH of Home Phone Service! Limited Time Offer!



NO Contrat NO Credit Check NO Deposit NO ID

Your FREE Month Package Includes Unlimited Local Calling 911 Access Call Waiting Deluxe \$3 in Octilla Long Distance Calling

Caller ID Deluxe Due to an overwhelming response to this offer, we have made available, two ways to sign up. If you call and get a busy signal, please either call back, or visit our web site listed below to sign up!

CALL NOW 1-866-933-5522 or visit www.freefirstmonth.com to sign up!

NO ACTIVATION FEE



No Contract • No Deposit No Credit Check • No ID



We'll Hook You Up!



* Plans include taxes and fees. To qualify for the Lifeline Price, someone in your household must Receive Government Assistance (Food Stamps, Medicaid, Senior Citizen Low Income Discount, Temporary Assistance to Needy Families or Supplemental Security Income.) Bronze and Silver LD must be refilled after use and is accessible by dialing 1-800-Octilla (6284552) at \$0.05/minute.

PICK YOUR FREE PLAN GET THE FIRST MONTH FREE

NO ACTIVATION FEE

FREE PLANS

FREE BRONZE PLAN

Free \$3 in Long Distance

Unlimited Local Calling

Call Waiting Deluxe

911 Access

Caller ID Deluxe

Unlimited Local Calling

911 Access

Home Phone

No Contract • No Deposit

Service

No Credit Check • No ID

Free \$3 in Long Distance

Unlimited Long Distance

Call Waiting Deluxe

Caller ID Deluxe

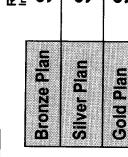
Three-Way Calling

Unlimited Local Calling

PLAN **FREE SILVER**

FREE GOLD PLAN

PLAN PRICING







Application on Back Sign Up Today!

Regular Price Includes Taxes & Fees. \$45 permonth \$55 permonth \$65 permonth ⁺ Plans include taxes and fees. To qualify for the Lifeline Price, someone in your household must receive Government Assistance (Food Stamps, Medicaid, Senior Citizen Low Income Discount,Temporary Assistance to Needy Families or Supplemental Security Income.) Bronze and Silver LD must be refilled after use and is accessible by dialing 1-800-Octilia (6284552) at \$0.05/minule.

To Confirm Order, Call 1-877-525-2123

Lifeline Price* Includes Taxes & Fees

\$35 per month

\$45 per month

\$55 permonth

We'll Hook

You Up!

Call Return & 911 Access

Home Phone Agent ID

Home Phone Agent Id Must Be Placed On Form For Application To Be Processed. To Request Your Agent ID, Please Call 877.277.8899

		VICE	To Reque	st Your Agent II), Please Call	877.277.88	399		
No Credit	Check - No ID - I	No Deposit -	No Up F	Front Payr	nent - 1	Month	Totally	FREE!	
FREE PLANS	D	lease fax appli							
🗌 Free Bror	nze Plan	•	Silver	Plan			ree Go		an
Package Detaits: Unlimited Loc 911 Access FREE 2 Hours	al Calling s of Octilla US Long Distanc	• Un • Ca • * <i>•</i> Ca • 91	e Details: nlimited Local aller ID Deluxe all Waiting Del 1 Access	uxe		P • • •	Unlimited Caller ID Call Wait	d Local Ca d Long Dis Deluxe ting Deluxe	tance
	gift, and can be refilled at your ou do not have an agent locat ce at 877.264.5375)		REE 2 Hours o	f Octilla US Lor	ig Distance*	•	Call Retu 911 Acce		
PLAN PRICIN		Lifeline Is. Includes Tax	Price** (es & Fees		household r	must be on C	eline price, so Government A nent program:	Assistance.	Please see
Bronze Plan	\$45 per month	\$35 per			Lifeline Self-	Certification	at bottom of pa	age.	-
Silver Plan	\$55 permonth	\$45 per	month		same numb	er and your	service will n 24 hours to pr	ot be interro	
Gold Plan	\$65 per month	\$55 per	rmonth				w installation, -7 business d		service will
	New Installatio	n 🗌] Conver	sion () Telephone	Number			
Name (Ex.	actly as it should appear on	your telephone bill)				(Con)	cell or fri	end)
Physical Stree	et Address - where the servi	ce will be activated ing address is same	e as above	City			State	Zi	ip Code
Mailing Address - v	where your mail is delivered	(P.O. Box etc.		City	4		State	Zij	p Code
	IN	ITIAL EACH OF THE BUL	LET POINTS BEL	OW AFTER READI	1G				
	t provide connection to, or the in lems due to wiring, jacks, equip		ks. ACS/DTM w	ill provide dial ton	e to the custom	er interface b	iox. ACS/DTM	is not respo	nsible for
Lifeline Self-Certif	tions will be installed in 2-5 busi <u>ication</u> omeone that lives at the addres: k which programs you qualify fo	s above is on governm	ent assistance s ance to Needy F	such as listed belo Families (TANF)	w. (\$10 monthly	y rebate on yental Security	our service sta Income (SSI)	arting in mor	nth 2) Stamps
"I agree that I am responsible	for notifying my phone compan	y, ACS/DTM, immediat	tely if my status	changes and I no	longer qualify f	or any of the	afore mention	ed program:	s."
service or billing issues can be res 30 days and payments are non-ref outside the 48 contiguous states w	ns Solutions (ACS) or Dialtone and M solved by calling 877-264-5375 or by fundable. I authorize ACS/DTM to tak vill result in loss of long distance (LD) interruption. I understand that I am re	visiting telephonehelp.net. e all actions possible to ke privileges. LD may not be	Local service is su ep my service acti used for any data	bject to various fede ve including switchin transfer including int	ral and local charg g my service to all ernet. Payments n	ges. This is a m ternate carriers nust be made b	onth to month ag Calls to 1-411, j ov the due date to	greement with party lines, ch pavoid internu	a minimum of at lines or intion. Fees will
Customer Si	gnature	Prin	nt Name					Date	

Customer Service: Toll Free: (877) 264-5375 Fax (877) 751-8209 www.freefirstmonth.com

Exhibit 3 Sample Newspaper Advertisement

FREE Month of Home Phone Service!

The first Month is Our FREE gift to You NO Contact NO Credit Checks NO Deposits NO ID

FREE Package Details

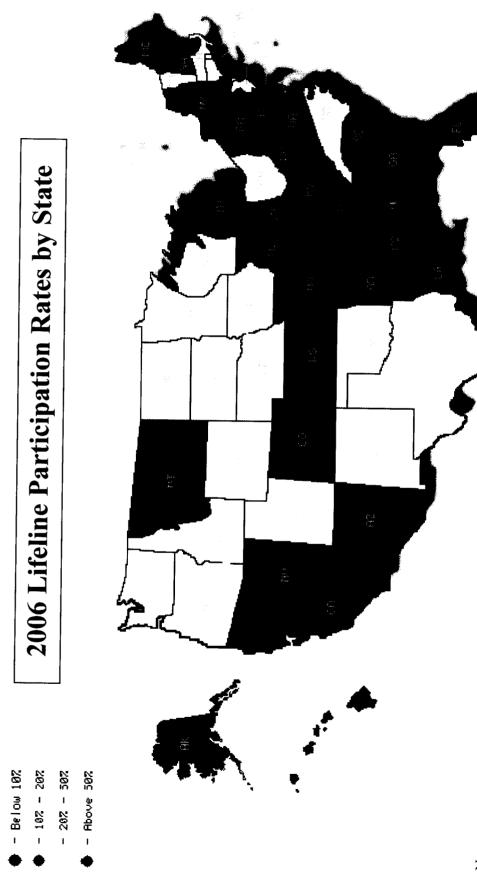
Unlimited Long Distance Caller ID Deluxe Call Waiting Deluxe \$3 Octilla Calling Card & More

Call Today! 1-877-525-2123

ANGLES DIALTONE

www.freefirstmonth.com

Exhibit 4 2006 Lifeline Participation Rates by State



Notes:

Due to the intricacy and range of criteria that are used to determine eligibility for the Lifeline program and the limitations of the data used, the methodology employed to create this map involves several estimates, assumptions, simplifications, and omissions. Therefore, the rates generated on this map should be treated as estimates only.

District of Columbia = 10% - 20%