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August 13, 2010

RECEIVED

AUG 13 2010

PUBLIC SERVICE
COMMISSION

Jeffrey DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40601

***RE: dPi Teleconnect, L.L.C. v. BellSouth Telecommunications, Inc. dba AT&T Kentucky
Dispute over Interpretation of the Parties' Interconnection Agreement
Regarding BellSouth's failure to extend Cash Back promotions to dPi
Case No. 2009-00127***

Dear Mr. DeRouen:

Enclosed please find an original and ten copies of dPi's Direct Testimony of Tom O'Roark in the referenced case.

Please acknowledge receipt of this filing by placing your file-stamp on the extra copy and returning to me via our runner. Thank you.

Sincerely yours,

STOLL KEENON OGDEN, PLLC

Douglas F. Brent

DFB: jms
Enclosures

107513.122279/600495.1

**BEFORE THE PUBLIC SERVICE COMMISSION
OF KENTUCKY**

dPi TELECONNECT, L.L.C.)	
)	
v.)	DOCKET NO. 2009-00127
)	
BELLSOUTH)	
TELECOMMUNICATIONS, INC.)	

DIRECT TESTIMONY OF TOM O'ROARK

- 1 **Q. Please tell us who you are and give a little background about yourself.**
- 2 A. My name is Tom O’Roark. I serve as dPi’s chief executive officer. Since the
- 3 departure of dPi’s Brian Bolinger, dPi’s former vice president of legal and
- 4 regulatory affairs, I am the one who has taken the lead in dealing with disputes over
- 5 promotion credits with AT&T. Prior to my involvement, Brian Bolinger along with
- 6 Steve Watson of Lost Key Telecom Inc. (which functions as dPi’s billing and
- 7 collections agent for promotions) headed up this effort on behalf of dPi, and thus
- 8 had most of the detailed interaction with AT&T; I was simply kept apprised of
- 9 events as they developed by Brian and/or Steve.
- 10 **Q. Please give a little background on dPi Teleconnect and describe the history of**
- 11 **dPi Teleconnect’s dispute with AT&T.**
- 12 A. dPi Teleconnect is a competitive telecommunications company authorized to
- 13 provide intrastate local exchange and interexchange telecommunications services
- 14 in Kentucky. dPi provides telecommunications services primarily to residential
- 15 customers. This case involves only dPi Teleconnect’s resale operations and
- 16 relationship with AT&T. AT&T is required by law and by contract to make

1 available for resale any promotion that AT&T makes available to its customers for
2 an extended period of time. This case stems from AT&T's failure to do so.

3 **Q. What do you mean when you say "AT&T is required by law to make available**
4 **for resale any promotion that AT&T makes available to its customers"?**

5 A. I don't pretend to be an expert in Federal telecommunications law, but I do know
6 the more basic provisions that apply to our business. So I know that federal law
7 requires AT&T to make the same offers it extends to its retail customers available
8 to its resellers like dPi. For example, federal law provides, among other things, the
9 following:

10 -- 47 U.S.C. § 251(c)(4)(A). ILECs have the duty to "offer for resale at
11 wholesale rates any telecommunications service that the carrier provides at
12 retail to subscribers who are not telecommunications carriers."

13 -- 47 U.S.C. § 251(c)(4)(B). ILECs have a duty not to "prohibit, and not to
14 impose unreasonable or discriminatory conditions or limitations on, the
15 resale of such telecommunications service."

16 I also know that the FCC has discussed promotion issues at length in various
17 dockets, notably including the FCC's 1996 *Local Competition Order*.¹ In the *Local*
18 *Competition Order*, the FCC explained

19 [t]he ability of [I]LECs to impose resale restrictions and
20 conditions is likely to be evidence of market power and may
21 reflect an attempt by [I]LECs to preserve their market
22 position. In a competitive market, an individual seller (an
23 [I]LEC) would not be able to impose significant restrictions
24 and conditions on buyers because such buyers turn to other
25 sellers. Recognizing that [I]LECs possess market power,
26 Congress prohibited unreasonable restrictions and conditions

¹ *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, First Report and Order, 11 FCC Rcd 15954, ¶907 (rel. Aug. 8, 1996) ("*Local Competition Order*").

1 on resale. *Local Competition Order*, 11 FCC Rcd at 15966,
2 ¶939.

3 Indeed, in the *Local Competition Order* the Commission expressly
4 recognizes that ILECs could use promotions like AT&T's to manipulate their retail
5 rates and effectively avoid their resale obligations. Consequently, the Commission
6 found that the resale requirement of Section 251(c)(4) of the Act

7 *makes no exception for promotional or discounted offerings*,
8 including contract and other customer-specific offerings. We
9 therefore conclude that no basis exists for creating a general
10 exemption from the wholesale requirement for all promotional or
11 discount service offerings made by incumbent LECs. A contrary
12 result would permit incumbent LECs to avoid the statutory resale
13 obligation by shifting their customers to nonstandard offerings,
14 thereby eviscerating the resale provisions of the 1996 Act. *Local*
15 *Competition Order*, 11 FCC Rcd at 15970, ¶948 (footnote omitted)
16 (emphasis added).

17 The FCC concluded that resale restrictions are presumptively unreasonable
18 and that an ILEC can rebut that presumption but only if the restrictions are
19 "narrowly tailored." *Local Competition Order*, 11 FCC Rcd at 15966, ¶939.
20 Accordingly, in the *Arkansas Preemption Order*, the FCC preempted an Arkansas
21 statute that was contrary to the Commission's implementation of Section
22 251(c)(4)(B), stating:

23 In connection with offering to competing carriers a retail service that
24 an incumbent LEC markets to its end-user consumers at a
25 promotional price for longer than 90 days, the second sentence of
26 9(d) allows the incumbent LEC to apply the wholesale discount to
27 the ordinary retail rate, whereas *our rules require the incumbent*
28 *LEC to apply the wholesale discount to the special reduced rate.*²

² *In the Matter of Petitions for Expedited Declaratory Ruling Preempting Arkansas Telecommunications Regulatory Reform Act of 1997 Pursuant to Sections 251, 252, and*

1 Finally, the rules which the Commission adopted in the *Local Competition*
2 *Order* plainly state that all promotional offerings must be made available for resale,
3 other than those promotions expressly provided for in Section 51.613 (cross-class
4 and short term promotions), and that ILECs are prohibited from restricting, limiting
5 or refusing in the first instance to make telecommunications service available for
6 resale. The FCC rules on resale are found in the Code of Federal Regulations
7 (“CFR”) at Title 47 (Telecommunication), Part 51 (Interconnection), Subpart G
8 (Resale), sections 51.601 - 51.617. In relevant part, the FCC rules provide:

9 **47 CFR § 51.605 Additional obligations of incumbent local exchange carriers.**

10 (a) An incumbent LEC shall ***OFFER to any requesting telecommunications***
11 ***carrier any telecommunications service that the incumbent LEC OFFERS on***
12 ***a retail basis*** to subscribers that are not telecommunications carriers for resale ***at***
13 ***wholesale rates***

14 ***

15 (e) Except as provided in §51.613, ***an incumbent LEC shall not impose restrictions***
16 ***on the resale*** by a requesting carrier of telecommunications services offered by the
17 incumbent LEC.

18 **47 C.F.R. § 51.613 Restrictions on resale.**

19 (a) Notwithstanding §51.605(b), the following types of restrictions on resale may
20 be imposed:

21 (1) Cross-class selling. [an ILEC may prohibit CLECs from reselling a
22 promotion to customers at large if the ILEC makes the promotion available
23 only to a certain class of customers – i.e., if the ILEC’s promotion is
24 directed to residential customers, the CLEC cannot cross sell it to business
25 class customers.]

253 of the *Communications Act of 1934, as amended*, Memorandum Opinion and Order,
14 FCC Rcd 21579, ¶47 (rel. Dec. 23, 1999) (“*Arkansas Preemption Order*”)(footnotes
omitted)(emphasis added).

1 (2) Short term promotions. An incumbent LEC shall apply the wholesale
2 discount to the ordinary rate for a retail service rather than a special
3 promotional rate only if:

4 (i) Such promotions involve rates that will be in effect for no more
5 than 90 days; and

6
7 (ii) The incumbent LEC does not use such promotional offerings to
8 evade the wholesale rate obligation, for example by making
9 available a sequential series of 90-day promotional rates.

10 (b) **With respect to any restrictions on resale not permitted under paragraph**
11 **(a), an incumbent LEC may impose a restriction only if it proves to the state**
12 **commission that the restriction is reasonable and nondiscriminatory.**

13 ***

14 I have added the emphasis placed on the relevant language cited above.

15 **Q. What does the contract between AT&T and dPi say? Something different**
16 **from federal law?**

17 A. No. Actually, the contract clearly states that it is subject to state and federal law,
18 and that AT&T will make available to resellers like dPi the same services AT&T
19 offers at retail. Among other things, the parties' contract provides in relevant part
20 the following:

21 -- That the parties wish to interconnect "pursuant to Sections 251 and 252 of
22 the Act" GTC p.1;

23 -- Parity: "When DPI purchases Telecommunications Services from BellSouth
24 pursuant to ... this Agreement for the purposes of resale to End Users, such
25 services shall be be ... subject to the same conditions ... that BellSouth
26 provides to its ... End Users." GTC p. 3

27 -- Governing Law: "... **this agreement shall be governed by and construed in**
28 **accordance with federal and state substantive telecommunications law,**
29 **including rules and regulations of the FCC...."** GTC p. 15.

30 -- Resale Attachment's General Provision sections 3.1: p. 4: "...**Subject to**

1 *effective and applicable FCC and Commission rules and orders, BellSouth*
2 *shall make available to DPI for resale those telecommunications services*
3 *BellSouth makes available...to customers who are not telecommunications*
4 *carriers.”*

5 **Q. Has AT&T performed consistent with its legal and contractual requirements**
6 **as you understand them?**

7 A. No. This case arises because of AT&T’s refusal to extend its promotional pricing
8 to dPi. The parties’ dispute centers on credits which are due from AT&T to dPi
9 Teleconnect as a result of dPi Teleconnect’s reselling of services subject to AT&T
10 promotional discounts. AT&T has over the past months and years sold its retail
11 services at a discount to its end users under various promotions that have lasted for
12 more than 90 days. dPi Teleconnect is entitled to purchase and resell those same
13 services at the wholesale rate, less the promotion’s discount. As a practical matter,
14 dPi Teleconnect has bought these services at the regular retail rate less the resale
15 discount, then later on been credited the difference between that rate and the
16 promotional rate pursuant to “promotion credit requests.”

17 **Q. What promotions are involved in this case?**

18 A. Of concern in this particular case, AT&T has provided a number of “cash back”
19 promotions to its retail customers going back to late 2003.³

20 **Q. What is the effect of these promotions?**

21 A. AT&T’s retail customers qualifying for these promotions get cash (or cash

³ The three promotions involved through July 2007 are designated by AT&T as “Cash Back \$100 1FR with Two Paying Features” (descriptions starting “C2” in dPi’s Exhibit 1); “Cash Back \$100 Complete Choice” (descriptions starting “CB” in dPi’s Exhibit 1); and “Cash Back \$50 1FR with Two Paying Features”(descriptions starting “C3” in dPi’s Exhibit 1).

1 equivalent) back from AT&T in the stated amount. Essentially, these are rebates.
2 Obviously, the practical effect of these promotions is to reduce the effective retail
3 rate qualifying customers pay for telephone service. The size of the promotions is
4 so large that the end result is that the net amount AT&T's retail customers
5 qualifying for the promotions pay for service is far less than the wholesale amount.

6 **Q. How does the "promotion process" work?**

7 A. To understand the dispute, one must understand its origins – namely, AT&T's
8 "promotion process" which, at the time relevant to this case, operated in practice if
9 not by design to enrich AT&T at the expense of its small competitors.

10 At the times relevant to this complaint, AT&T was supposedly "unable" to
11 bill resellers the correct amount (including promotional discounts) for the services
12 they ordered when the order was submitted. However, it was able to bill its *retail*
13 customers correctly.

14 Also, AT&T/SBC's systems in the midwest and southwest *do* allow one to
15 apply for a promotional credit as a part of the provisioning order, and reject the
16 order if it does not qualify for the promotion. The credit is applied to the price
17 immediately and the discount reflected on the same bill; the CLEC pays no more
18 than what it actually owes for the service from the beginning. So there is no
19 technical reason why CLECs cannot be billed correctly for the service they acquire
20 from AT&T.

21 However, in the former BellSouth regions, AT&T *automatically*
22 *overcharges* every reseller for every service the reseller orders that is subject to a

1 promotional discount. Then AT&T shifts the burden on to the reseller to (1) figure
2 out how much AT&T has overcharged the reseller, and (2) dispute AT&T's bills
3 accordingly. If a CLEC is not aware that this is how the system is supposed to work
4 and does not know to apply for these promotions, AT&T retains their money.

5 For those CLECs who generally understand that they must apply for these
6 credits, AT&T's system makes it as difficult as possible for the reseller to dispute
7 the bills to AT&T's satisfaction. First, the credit request must be meticulously
8 documented, listing details of every order for which credit is requested. But getting
9 the data to populate these forms is a Herculean task in itself: it must come from
10 AT&T's billing and ordering data, which AT&T has traditionally provided to
11 resellers only on either a paper bill, or electronically in a "DAB" file, which has
12 data locks built into it, making downloading of the raw data exceptionally difficult.
13 To make matters worse, in dPi's experience next to no one at AT&T can explain
14 how to get the data out of the "DAB" files, because AT&T does not maintain its
15 own data in such files, and its employees simply are not equipped with the
16 knowledge to answer questions about how to unlock its secrets. Figuring out how,
17 as a practical matter, to apply for these credits takes a large amount of resources in
18 time and money. Some CLECs appear to have simply thrown their hands in the air
19 and given up.

20 Next, if a CLEC spends the time and resources to figure out a way to get at
21 their data, and create systems for electronically scouring it to identify those orders
22 that ought to qualify for promotional credits, and write and re-write programs that

1 will populate AT&T's forms (which it changes from time to time as it sees fit),
2 AT&T will examine the requests for credit to see if it will honor them. There is no
3 deadline for AT&T to act on these credit requests. When it finally approves or
4 denies credits – which can take months – it makes no explanation for which credit
5 requests it accepts, and which credits it rejects, and why. Thus, if the credit request
6 is rejected, the CLEC has no way of auditing the rejection to see if it is merited or
7 not. But note that even if the credit is accepted, AT&T has kept the CLEC's money
8 for months, without interest, before returning it.

9 The system is backwards, failure prone, and grossly inefficient. And at
10 every step of the way, whether consciously designed to that end or not, the system
11 works to enrich AT&T at the CLEC's expense.

12 **Q. What is Steve Watson's company, Lost Key,'s role in this case?**

13 A. Because of the above mentioned difficulties involved in extracting and presenting
14 the data used to calculate these promotion credit requests, dPi hired Lost Key to
15 apply for promotional credits from AT&T on dPi's behalf. At any given time,
16 AT&T has a number of promotions going at once. As dPi's agent in this process,
17 Lost Key reviews the data AT&T provides dPi regarding the services AT&T has
18 sold dPi, and calculates which promotions dPi is entitled to under the promotions
19 then in effect. Lost Key then submits requests for promotional credits on dPi's
20 behalf, and AT&T evaluates or audits those requests and issues or denies credit as
21 it sees fit.

22 **Q. What happened when dPi applied for these particular "cash back" promotion**
23 **credits?**

1 A. Although dPi met the same qualifications as AT&T's retail end users, and applied
2 for these promotional credits, it was not initially notified one way or the other that
3 AT&T would pay the credits requested for the periods ending June 8, 2007. AT&T
4 has, however, paid the credits requested for service rendered *after* June 2007. The
5 timing appears to coincide with the 4th Circuit's decision in *BellSouth*
6 *Telecommunications Inc. v. Sanford et al.*, 494 F3d 439 (C.A. 4 – N.C., 2007), in
7 which the 4th Circuit upheld the North Carolina Commission's decision that
8 promotions that tend to reduce the retail price paid by retail customers must be
9 made available to CLECs.

10 Although AT&T initially failed to either deny or accept dPi's promotional
11 credit requests despite multiple inquiries by dPi for the period ending June 2007, by
12 the time this action was filed it seemed unlikely that AT&T would make the
13 promotion payments unless compelled to do so by the judiciary or the state
14 commissions, making the filing of this case necessary. dPi's Brian Bolinger
15 escalated and attempted to resolve this issue with AT&T's Pam Tipton, but
16 according to her, the AT&T legal department had instructed her that AT&T did not
17 owe any cash back promotions prior to the date of the appellate court's ruling.
18 Obviously that is not accurate and dPi could not imagine any attorney actually
19 providing that advice. When Brian Bolinger tried to explain the senselessness of
20 that line of thinking, the response he received was "that is just what I am being
21 told."

22 No reason for denying the credit requests was ever given apart from "those

1 promotions are not subject to resale.”

2 **Q. Was there a deadline for dPi to request these promotion credit requests?**

3 A. I don’t know if there ever would be a true “deadline” – AT&T should be charging
4 CLECs the correct price from the start. Allowing AT&T to keep the money it
5 purposefully overcharges CLECs in these situations seems to be bad public policy,
6 tantamount to saying “if you cheat and cover it up long enough, we’ll reward you
7 by letting you keep the money.” But if there is a deadline, it would be six years
8 under the contract that was in place during the relevant time, which was signed in
9 March 2003, and in place until April 2007.⁴

10 The contract in effect at the time provides at Section 18 of its Terms and
11 Conditions that the Agreement will be governed by federal and state substantive
12 telecommunications law, but in all other respects the “Agreement shall be governed
13 by and construed and enforced in accordance with the laws of the State of Georgia
14 without regard to its conflict of laws principles.” In Georgia, the limitations period
15 for a breach of contract is six years. O.C.G.A. section 9-3-24.⁵ Since the earliest
16 bill date at issue in this case is from December 2003, this case was filed well within
17 the limitations period.

18 AT&T suggests that claims that were filed more than 12 months after they
19 arose are barred by the contract. This is incorrect; the contract in effect at the time

⁴ A new, but nearly identical contract, governs the relationship of the parties after April 2007.

⁵ The contract governing claims arising after April 2007 has a 12 month limitations period.

1 these orders were processed had a *six year* limitations period.

2 More particularly, from 2003 to the present, dPi and AT&T operated under
3 two nearly identical interconnection agreements. The first was in effect from 2003
4 to May 2007. The second was in effect from May 2007 to the present.

5 The orders in dispute, for which dPi was overcharged, were provided from
6 2003 to June 2007 (after June 2007, AT&T began extending the cash back
7 promotions to dPi.) Thus, the key contract for the purposes of this dispute is the
8 first contract, in effect from 2003 to May 2007. This contract in effect from 2003
9 to May 2007 provides at Section 18 of its Terms and Conditions that the Agreement
10 will be governed federal and state substantive telecommunications law, but in all
11 other respects the “Agreement shall be governed by and construed and enforced in
12 accordance with the laws of the State of Georgia without regard to its conflict of
13 laws principles.” In Georgia, the limitations period for a breach of contract is six
14 years. O.C.G.A. section 9-3-24. Since the earliest bill date at issue in this case is
15 from December 2003, this case was filed well within the limitations period.

16 The second contract, which went into effect May 2007, does have a 12
17 month limitations period in it. However, this second contract specifically provides
18 that **“the rates, terms, and conditions of this Agreement shall not be applied**
19 **retroactively prior to the Effective Date.”** General Terms and Conditions sec. 2.1.⁶

6

The “Effective Date is defined as the date that the Agreement is effective for purposes of rates, terms, and conditions and shall be 30 days after the [April 2007] date of the last signature executing the Agreement.” General Terms and Conditions, Definitions (p. 2).

1 The second agreement also has a “merger clause” at section 30.1 that
2 provides that orders placed under the prior agreement but not filled until the
3 effective date of the new agreement, and services commenced under prior
4 agreements but provided under the new agreement, would be governed by the new
5 agreement going forward. The purpose of that language is to explain how orders
6 and services will be handled on a going forward basis, after the new contract goes
7 into effect. Obviously, the fact that there is a new contract replacing the old one
8 doesn’t mean the parties will stop all operations and then re-start them under the
9 new contract (e.g., there was no disconnection of customers when the old contract
10 expired, and re-connection after the new effective date); the transition was meant
11 to be seamless as far as daily operations go: orders that had been submitted but not
12 filled prior to the effective date of the new contract did not have to be cancelled and
13 *re-submitted* to be filled under the new contract. Instead, this provision is intended
14 to confirm that services commenced or ordered under the earlier contract, but filled
15 or provided after the new contract goes into effect, are governed by the new
16 contract.

17 However, this provision from the merger clause in the second agreement
18 does not apply to orders and service that were *completed under the old contract:*
19 orders and services that were completed under the old contract do not get re-billed
20 to conform to pricing changes and other changes in the new contract. This is made
21 clear by General Terms and Conditions sec. 2.1 which specifically provides that
22 *“the rates, terms, and conditions of this Agreement shall not be applied*

1 *retroactively prior to the Effective Date.*” Therefore this provision has no impact
2 on the deadline for dPi to bring this claim, as the vast majority of services had been
3 fully completed as of the effective date of the 2007 ICA. The claims arising out of
4 the services which were not fully completed and which are subject to the provisions
5 of the 2007 ICA were brought within 12 months as required by the 2007 ICA.

6 **Q. Has dPi nonetheless waived its right to recover the overpayments that**
7 **BellSouth extracted?**

8 A. No. I’m not sure how this could ever be plausibly argued. The contract clearly
9 provides at General Terms and Conditions section 17 (16 in the later contract) that
10 “A failure or delay of either Party to enforce any of the provisions ... or to require
11 performance of any of the provisions hereof shall in no way be construed to be a
12 waiver of such provisions....”

13 Even if AT&T were to make some sort of equitable argument, i.e., that dPi
14 has “taken too long” to bring these claims, AT&T cannot rely on principles of
15 equity to protect it in this case because AT&T has unclean hands. The conduct
16 which BellSouth seeks to protect is its own inequitable conduct of overcharging dPi
17 for the services at issue. To allow BellSouth to retain these funds would result in
18 its unjust enrichment at the expense of dPi.

19 **Q. How much money in promotions is at stake?**

20 A. Here in Kentucky, dPi qualified and applied for, but was not paid, approximately
21 \$39,000 in cash back promotions. A spreadsheet itemizing the amounts in question
22 is attached as dPi’s Exhibit 1. Through October 2007, dPi qualified and applied for,
23 but has not yet been paid:

1 \$27,200 related to the “Cash Back \$100 Complete Choice” promotion offer;
2 \$2,600 related to the “Cash Back \$100 1FR with Two Paying Features”
3 promotion offer; and
4 \$9,200 related to the “Cash Back \$50 1FR with Two Paying Features”
5 promotion offer.

6 Across the 9 state AT&T region, the total figure that dPi qualified and
7 applied for, but was not paid, in cash back promotion credits was approximately
8 \$499,600.

9 **Q. Has AT&T paid any requests for cash back promotions?**

10 A. Yes. AT&T has admitted dPi is entitled to these kinds of promotional credits on
11 these telecommunications services dPi has purchased from AT&T by paying these
12 credits from July 2007 forward. dPi accordingly requests that this Commission
13 enter an order directing AT&T to pay the credits together with interest at the
14 contract rate.

15 **Q. Does this conclude your direct testimony?**

16 A. Yes, it does for now. But I reserve the right to make changes as necessary.

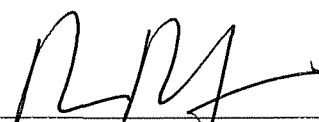
EXHIBIT 1

ILEC	Company	Bill Date	Amount Submitted	Description	Q Account
BellSouth	DPI Teleconnect	12/08/2003	\$ 300.00	C2-KY-502-20031208	502Q888437
BellSouth	DPI Teleconnect	01/08/2004	\$ 200.00	C2-KY-502-20040108	502Q888437
BellSouth	DPI Teleconnect	01/08/2005	\$ 600.00	C2-KY-502-20050108	502Q888437
BellSouth	DPI Teleconnect	02/08/2005	\$ 200.00	C2-KY-502-20050208	502Q888437
BellSouth	DPI Teleconnect	03/08/2005	\$ 1,200.00	C2-KY-502-20050308	502Q888437
BellSouth	DPI Teleconnect	04/08/2005	\$ 100.00	C2-KY-502-20050408	502Q888437
\$ 2,600.00 Total C2 Promotions					
BellSouth	DPI Teleconnect	04/08/2005	\$ 50.00	C3-KY-502-20050408	502Q888437
BellSouth	DPI Teleconnect	02/08/2006	\$ 250.00	C3-KY-502-20060208	502Q888437
BellSouth	DPI Teleconnect	03/08/2006	\$ 150.00	C3-KY-502-20060308	502Q888437
BellSouth	DPI Teleconnect	04/08/2006	\$ 150.00	C3-KY-502-20060408	502Q888437
BellSouth	DPI Teleconnect	05/08/2006	\$ 50.00	C3-KY-502-20060508	502Q888437
BellSouth	DPI Teleconnect	06/08/2006	\$ 100.00	C3-KY-502-20060608	502Q888437
BellSouth	DPI Teleconnect	07/08/2006	\$ 350.00	C3-KY-502-20060708	502Q888437
BellSouth	DPI Teleconnect	08/08/2006	\$ 1,150.00	C3-KY-502-20060808	502Q888437
BellSouth	DPI Teleconnect	09/08/2006	\$ 1,700.00	C3-KY-502-20060908	502Q888437
BellSouth	DPI Teleconnect	10/08/2006	\$ 1,650.00	C3-KY-502-20061008	502Q888437
BellSouth	DPI Teleconnect	11/08/2006	\$ 1,850.00	C3-KY-502-20061108	502Q888437
BellSouth	DPI Teleconnect	12/08/2006	\$ 1,750.00	C3-KY-502-20061208	502Q888437
\$ 9,200.00 Total C3 Promotions					
BellSouth	DPI Teleconnect	07/08/2004	\$ 1,700.00	CB-KY-502-20040708	502Q888437
BellSouth	DPI Teleconnect	08/08/2004	\$ 2,200.00	CB-KY-502-20040808	502Q888437
BellSouth	DPI Teleconnect	09/08/2004	\$ 2,900.00	CB-KY-502-20040908	502Q888437
BellSouth	DPI Teleconnect	10/08/2004	\$ 1,400.00	CB-KY-502-20041008	502Q888437
BellSouth	DPI Teleconnect	11/08/2004	\$ 1,500.00	CB-KY-502-20041108	502Q888437
BellSouth	DPI Teleconnect	12/08/2004	\$ 1,500.00	CB-KY-502-20041208	502Q888437
BellSouth	DPI Teleconnect	01/08/2005	\$ 1,300.00	CB-KY-502-20050108	502Q888437
BellSouth	DPI Teleconnect	02/08/2005	\$ 1,600.00	CB-KY-502-20050208	502Q888437
BellSouth	DPI Teleconnect	03/08/2005	\$ 600.00	CB-KY-502-20050308	502Q888437
BellSouth	DPI Teleconnect	04/08/2005	\$ 400.00	CB-KY-502-20050408	502Q888437
BellSouth	DPI Teleconnect	05/08/2005	\$ 300.00	CB-KY-502-20050508	502Q888437
BellSouth	DPI Teleconnect	06/08/2005	\$ 400.00	CB-KY-502-20050608	502Q888437
BellSouth	DPI Teleconnect	07/08/2005	\$ 600.00	CB-KY-502-20050708	502Q888437
BellSouth	DPI Teleconnect	08/08/2005	\$ 800.00	CB-KY-502-20050808	502Q888437
BellSouth	DPI Teleconnect	09/08/2005	\$ 800.00	CB-KY-502-20050908	502Q888437
BellSouth	DPI Teleconnect	10/08/2005	\$ 500.00	CB-KY-502-20051008	502Q888437
BellSouth	DPI Teleconnect	11/08/2005	\$ 700.00	CB-KY-502-20051108	502Q888437
BellSouth	DPI Teleconnect	12/08/2005	\$ 400.00	CB-KY-502-20051208	502Q888437
BellSouth	DPI Teleconnect	04/08/2007	\$ 1,900.00	CB-KY-502-20070408	502Q888437
BellSouth	DPI Teleconnect	05/08/2007	\$ 1,550.00	CB-KY-502-20070508	502Q888437
BellSouth	DPI Teleconnect	06/08/2007	\$ 2,200.00	CB-KY-502-20070608	502Q888437
BellSouth	DPI Teleconnect	07/08/2007	\$ 1,950.00	CB-KY-502-20070708	502Q888437
\$ 27,200.00 Total CB Promotions					
			\$ 39,000.00	Total KY Cashbacks	

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing Testimony was served upon the following persons by first class United States mail, postage prepaid, on the 13th day of August, 2010:

Mary K. Keyer
General Counsel/Kentucky
BellSouth Telecommunications, Inc.
d/b/a AT&T Kentucky and
AT&T Kentucky Southeast
601 West Chestnut Street, Room 408
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Counsel for dPi Teleconnect, L.L.C.