COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF COMPLAINT OF SPRINT COMMUNICATIONS COMPANY L.P. AGAINST BLUEGRASS TELEPHONE COMPANY, INC. d/b/a KENTUCKY TELEPHONE COMPANY FOR THE UNLAWFUL IMPOSITION OF ACCESS CHARGES

MAR 1 5 2011
PUBLIC SERVICE
COMMISSION

JOINT STATUS REPORT

Sprint Communications Company L.P. ("Sprint") and Bluegrass Telephone Company d/b/a Kentucky Telephone Company ("Kentucky Telephone"), through counsel, provide the following status report as directed by the Public Service Commission of the Commonwealth of Kentucky ("PSC") in its March 4, 2011, Order:

On June 25, 2010, the parties requested the PSC hold this matter in abeyance. On July 13, 2010, the PSC granted the parties' request.

On August 2, 2010, Kentucky Telephone filed an action against Sprint in the federal district court for the Western District of Kentucky seeking payment of charges claimed to be due for interstate calls (the "Federal Litigation").

On January 24, 2011, the Court signed the parties' agreed order staying the Federal Litigation "until such time as the Federal Communications Commission provides further guidance relevant to the issues raised by this case or other good cause." A copy of the Court's January 24, 2011 order is attached as Exhibit A hereto.

In light of the stay of the Federal Litigation, the parties are content at this time continuing to hold the above-captioned matter in abeyance as well. While the parties are not actively attempting to resolve this case (as they were when the parties initially requested this matter be

held in abeyance), both parties believe it is appropriate and efficient to treat this matter in a manner similar to the Federal Litigation.

Respectfully submitted this _th day of March, 2011.

John N. Hughes
Attorney at Law
124 West Todd Street
Frankfort, Kentucky 40601
502.227.7270 (o)
502.875.7059 (fax)

and

Philip R. Schenkenberg Briggs and Morgan, P.A. 2200 IDS Center 80 South Eighth Street Minneapolis, Minnesota 55402 612.977.8400 (o) 612.977.8650 (fax)

ATTORNEYS FOR SPRINT COMMUNICATIONS COMPANY L.P.

Holly C. Wallace G DNA

Holly C. Wallace
John E. Selent
Dinsmore & Shohl, LLP
2500 National City Tower
101 South Fifth Street
Louisville, KY 40202
(502) 540-2300
Holly.wallace@dinslaw.com
John.selent@dinslaw.com

ATTORNEYS FOR BLUEGRASS TELEPHONE CO., INC. D/B/A KENTUCKY TELEPHONE CO.

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF KENTUCKY OWENSBORO DIVISION

Bluegrass Telephone Company, Inc., a Kentucky Corporation, d/b/a Kentucky Telephone Company,)))
Plaintiff/Counterclaim-Defendant,) Filed Electronically) Case No. 4:10cv-104M
V.)
Sprint Communications Company, L.P., a Delaware Limited Partnership,)
Defendant/Counterclaim-Plaintiff.)))

AGREED ORDER/ STIPULATION REGARDING SPRINT'S MOTION TO STAY

Plaintiff Bluegrass Telephone Company, Inc., d/b/a Kentucky Telephone Company ("Kentucky Telephone"), by its attorneys, and Sprint Communications Company L.P. ("Sprint"), by its attorneys, respectfully submit this Agreed Order/Stipulation with regard to Sprint's Motion to Stay (Doc. 27).

WHEREAS, Kentucky Telephone believes that it would be desirable to proceed with discovery while awaiting further guidance from the Federal Communications Commission that may impact the Court's resolution of the issues raised in the pleadings;

WHEREAS, Kentucky Telephone nevertheless recognizes that the Court is likely to stay this proceeding as it did in the Qwest and Level 3 matters;¹

WHEREAS, Kentucky Telephone requests, and Sprint has agreed, that prior to entering a full stay of the case, the Court resolve Sprint's pending motion seeking the disqualification of

Bluegrass Telephone Co. v. Qwest Communications Co., LLC, Memorandum Opinion and Order, 09-cv-70 (W.D. Ky. Mar. 26, 2010); Bluegrass Telephone Co. v. Level 3 Communications, LLC, Order, 10-cv-00075 (W.D. Ky. Sept. 15, 2010).

Arent Fox, LLP, Ross A. Buntrock, and G. David Carter that was filed on October 7, 2010 (Doc-

15);

WHEREAS, resolution of Sprint's motion to disqualify (Doc. 15) will not be impacted

by the matters giving rise to Sprint's motion to stay and Kentucky Telephone believes it would

be beneficial to fully resolve this issue without delay;

WHEREAS, accordingly, Kentucky Telephone and Sprint hereby stipulate to the entry

of an order immediately vacating the procedural schedule in the Magistrate Judge's Order

entered November 17, 2010 (Doc. 28), suspending discovery, and staying the case following the

Court's entry of an order resolving Sprint's motion to disqualify (Doc. 15);

IT IS HEREBY ORDERED:

1. The parties' Stipulation is approved;

2. The procedural schedule in the Magistrate Judge's order entered November 17,

2010 (Doc. 28) is hereby vacated;

3. Discovery in this case is hereby suspended; and

4. Upon entry of an order by this Court resolving Sprint's motion to disqualify (Doc.

15), the Court shall enter an order staying this case until such time as the Federal

Communications Commission provides further guidance relevant to the issues raised by this case

or other good cause.

Entered this January 24, 2011

SEEN AND AGREED TO BY:

/s/ Holly C. Wallace Holly C. Wallace John E. Selent E. Robert Goebel United States Magistrate Judge DINSMORE & SHOHL LLP 1400 PNC Plaza 500 W. Jefferson Street Louisville, KY 40202 (502) 540-2309 holly.wallace@dinslaw.com

Ross A Buntrock (pro hac vice) G. David Carter (pro hac vice) ARENT FOX LLP 1050 Connecticut Avenue, NW Washington, DC 20036 Telephone: (202) 775-5734 Facsimile: (202) 857-6395 buntrock.ross@arentfox.com carter.david@arentfox.com

Attorneys for Plaintiff Kentucky Telephone Co.

/s/ Philip R. Schenkenberg
Philip R. Schenkenberg
Kevin M. Decker
Briggs and Morgan, P.A.
2200 IDS Center
80 South Eighth Street
Minneapolis, Minnesota 55402
(612) 977-8400

Jeffrey J. Yost Christi R. Lee Jackson Kelly PLLC 175 E. Main Street 5th Floor P.O. Box 2150 Lexington, KY 40588-2150 (859) 255-9500 (859) 252-0688 (Fax) jyost@jacksonkelly.com

Attorneys for Sprint Communications Company L.P.

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