



**BOULT - CUMMINGS
CONNERS - BERRY PLC**

Henry Walker
(615) 252-2363
Fax (615) 252-6363
Email: hwalker@boultcummings.com

January 21, 2004

Kentucky Public Service Commission
Mr. Thomas M. Dorman
Executive Director
P.O. Box 615
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

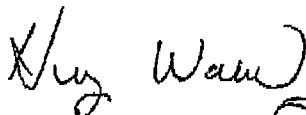

Re: *Inquiry into the Use of Contract Service Arrangements by
Telecommunications Carriers in Kentucky*
Case No. 2002-00456

Dear Mr. Dorman:

Enclosed for filing is the Post-Hearing Brief of AT&T in the above-captioned proceeding.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By: 
Henry Walker 

HW/bb
Encl.

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

January 21, 2004

In the Matter of:

INQUIRY INTO THE USE OF CONTRACT SERVICE)	
ARRANGEMENTS BY TELECOMMUNICATIONS)	CASE NO.
CARRIERS IN KENTUCKY)	2002-00456

**POST-HEARING BRIEF OF AT&T COMMUNICATIONS OF THE SOUTH
CENTRAL STATES, LLC**

I. Introduction

AT&T Communications of the South Central States, LLC (“AT&T”) submits this Post-Hearing Brief to address the issues raised in the October 23, 2003 hearing in the above-captioned case pertaining to the use of Contract Service Arrangements (“CSAs”) by telecommunications carriers. AT&T submits that all incumbent carriers should be required to file CSAs, unredacted, with the Public Service Commission (“Commission”). Otherwise, the ratepayers of Kentucky will lose an important source of protection from discriminatory pricing. Nondominant providers, however, should only be required to file summaries, as these providers lack market power and, therefore, the ability or the incentive to engage in discriminatory or predatory pricing.

II. Background

Pursuant to the Commission’s Order dated December 19, 2002 (“*CSA Order*”), this docket was opened to conduct a review of the Commission’s policies with regard to CSAs. After taking a number of steps to reduce regulation of Incumbent Local Exchange Carriers (“ILECs”), the Commission decided to take stock of how these measures are working:

[w]e have been called upon to reduce regulation while protecting Kentucky's telecommunications customers and ensuring fair and equitable treatment of both incumbent carriers and new market entrants. It is perhaps inevitable that we now find it necessary to determine whether some of our decisions relaxing the regulatory regime pursuant to KRS 278.512 may inadvertently have created problems.

CSA Order, p. 2.

In Case No. 2001-00077, the Commission relaxed the regulation of BellSouth Telecommunications, Inc. ("BellSouth") regarding the filing of CSAs. *See BellSouth Telecommunications, Inc.'s Proposed New Procedures for Filing Contract Service Arrangements and Promotions*, Case No. 2001-00077. In that case, the Commission allowed BellSouth to file summaries (which do not include item pricing for the services sold) of CSAs, instead of the complete CSAs. Following that ruling, two recent cases involving the use of CSAs by BellSouth caused the Commission "to question whether BellSouth and other carriers are providing services under CSAs when they should be providing service at tariffed rates. To the extent CSAs are appropriate, we welcome comment as to standards that should limit their use and provide objective criteria for pricing services differently." *Id.* Thus, the purpose of this docket is to "determine appropriate policies, to safeguard the public interest regarding [CSAs], and to determine, what, if any, amendments to Administrative Regulation 807 KAR 5.011, Section 13 are appropriate", *CSA Order* at p. 4.

BellSouth's position continues to be one of advocating reduced regulation, even in the face of the cited cases (*CSA Order* at pp. 2-3) demonstrating its misuse of the CSA process. For the reasons set forth below, AT&T recommends an approach that will ensure that the process is not abused. This is delineated in AT&T's comments in Sections III-V, addressing certain issues as requested at the October 23 hearing.

III. Interpretation of “Similarly Situated”

At the October 23rd hearing, the Commissioners asked that the parties address the relationship of the term “similarly situated” to KRS 278.170(1), the statute prohibiting discriminatory pricing. KRS 278.170 states that:

No utility shall, as to rates or service, give any unreasonable preference or advantage to any person or subject any person to any unreasonable prejudice or disadvantage, or establish or maintain any unreasonable difference between localities or between classes of service for doing a like and contemporaneous service under the same or substantially the same conditions.

KRS §278.170 (2002). The term “similarly situated” is a standard taken from the statute and has long been used in discussing whether discrimination has occurred in terms of the rates customers are charged for utility service.¹ Based on the statute, if two customers are “similarly situated,” then one customer cannot be denied a rate given to the other customer. Thus, determining the meaning of “similarly situated” is key in any discriminatory rate analysis under KRS 278.170(1).

KRS 278.170(1) was interpreted in *National-Southwire Aluminum Co. v. Big Rivers Electric Corp.*, 785 S.W.2d 503 (Ky. Ct. of App. 1990) (“*Big Rivers*”). In *Big Rivers*, the court reviewed a decision by the Commission which allowed Big Rivers, a non-profit electrical cooperative, to charge a variable rate for electricity provided to its two largest customers. *Id.* at 506-507. At the time, Big Rivers was experiencing great financial difficulty because of debt

¹ See *In the Matter of: Joyland Kennel, Inc., Complainant v. Boone Co. Water District, Defendant*, Case No. 96-218, *Order* (May 23, 1996) (finding that the utility could not depart from its filed rates, the Public Service Commission stated that “KRS 278.170(1) imposes an affirmative obligation upon a utility to charge and collect its prescribed rates. KRS 278.170(1) requires a utility to treat all similarly situated customers in substantially the same manner. If a utility fails to collect from a customer the full amount required by its filed rate schedule, it effectively grants a preference in rates to that customer as it allow him to pay less than other customers for the same service.”) (emphasis added); *In the Matter of: The Contract Filing of Kentucky Utilities Co. To Provide Electric Service To North American Stainless*, Case No. 2000-542, *Order* (December 19, 2001) (stating that “we do not believe it is appropriate to withhold rate information because disclosure would ensure that each customer could learn the rates given to other similarly situated customers. Pursuant to KRS 278.170(1), customers are entitled to nondiscriminatory rates.”); See also *In the Matter of: Computer Innovations, Complainant v. BellSouth Telecommunications, Inc., Defendant*, Case No. 2001-00068, *Order* (December 18, 2002).

incurred from the construction of a new generator. *Id.* at 508. The Commission determined that because Big Rivers was so financially dependent on these two customers (aluminum companies which purchased 70 percent of Big Rivers' electricity), it was important to help keep these customers in business. *Id.* The Commission reasoned that by allowing Big Rivers to charge a variable rate for electricity based on the price of aluminum (i.e. the customers would pay less if aluminum prices fell and more when the prices rose), the odds that its two largest customers would stay in business would increase, thereby increasing Big Rivers' ability to weather its economic difficulties. *Id.*

The two aluminum companies challenged the imposition of the variable rate, arguing that it was discriminatory and violated KRS 278.170. *Id.* at 514. In reviewing its imposition, the court pointed out that the companies' own experts first suggested the rate. *Id.* at 507. Furthermore, the Commission had found that "the rate is likely to produce, over time, the same amount of revenue that would be produced under a conventional, flat rate." *Id.* at 509. Moreover, the court noted that the rate was imposed by the Commission in order to help the companies, and thus Big Rivers, stay in business. *Id.* at 508.

In addressing the issue of whether the variable rate was discriminatory, the court stated that "[e]ven if some discrimination actually exists, Kentucky law does not prohibit it per se. According to KRS 278.170(1), we only prohibit 'unreasonable difference'." *Id.* at 514. Outlining what is to be considered in deciding whether there is in fact an "unreasonable difference" in rates charged to customers, the court stated that "KRS 278.030(3) allows reasonable classifications for service, patrons, and rates by considering the 'nature of the use, the quality used, the quantity used, the time when used...and any other reasonable consideration'." *Id.*

Applying these factors, the court stated that the two aluminum companies did buy a large quantity of electricity from Big Rivers, but the companies also put a large demand on Big Rivers to produce those large amounts of electricity. *Id.* at 515. Thus, they should help pay for the generator that made the provision of electricity to them possible. *Id.* The Commission had discretion and the agency's decision, in the words of the court, was "fairly debatable," and thus would not be disturbed. *Id.*

The requirements of KRS 278.170(1) were analyzed by this Commission in one of the cases that led to the opening of this docket. *See In the Matter of: SPIS.net v. BellSouth Telecommunications, Inc.*, Case No. 2001-00099, *Order* (December 19, 2002) ("*SPIS.net Order*"); *CSA Order* at pp. 2-3. It arose from a complaint filed by SPIS.net alleging that BellSouth had denied SPIS.net a rate for a regulated service which BellSouth had given to one of SPIS.net's competitors. *Id.* at p. 2.² SPIS.net alleged that the discriminatory prices violated KRS 278.170. *Id.* BellSouth, however, argued that the rate charged to SPIS.net's competitor was proper in that it was in response to an offer made to the competitor by AT&T. *Id.* at pp. 3-4.

In addressing the complaint, the Commission had to decide whether the difference in prices was "reasonable." In determining the reasonableness of the price difference, the Commission considered whether the existence of a competitive offer was a proper factor to be included in the "similarly situated" analysis. *Id.* In discussing the statute and what it means to be "similarly situated," the Commission stated that "We have not previously held that two customers are not similarly situated for purposes of receiving the same price for a utility service on the sole basis that one has received a competitive offer while another has not." *Id.* at p. 6.

² Hopkinsville Electric was under contract with BellSouth to pay \$650 for PRI service while SPIS.net was forced to pay \$741.41 for the same service. It is important to note that the Commission determined that the two companies were "comparable" regarding their volume and term commitments. *See Id.* at pp. 3, 9.

The factors set forth in *Big Rivers* (which do not include considering whether one customer has received an offer from a competing provider) were considered. *Id.* at p. 8. Furthermore, the Commission pointed out that BellSouth itself, in its Statement of Generally Available Terms, does not include the existence of an offer from a competitor in defining what it means to be “similarly situated.” *Id.* Based on this record, the Commission concluded that “pricing the same service differently from customer to customer based on the single difference that one customer has received (or it alleged to have received) an offer is inappropriate pursuant to KRS 278.170.” *Id.* at p. 9. Thus, the Commission determined that because SPIS.net had requested the same service, and because SPIS.net had similar volume and term commitments to the company which received the lower rate, SPIS.net was entitled to the lower rate as well. *Id.*

In the *SPIS.net Order*, the Commission expressed concern over the CSA issues raised in the case:

The facts brought before us here implicate a number of concerns regarding possibly excessive and inappropriate use of CSAs rather than tariffed rates. Our previous decisions, in which we have relaxed our regulatory authority with the intention of ensuring that Kentucky’s ILECs are not unfairly disadvantaged by competition, may bear reconsideration....In Case No. 2002-00456, we will consider whether our determination in Case No. 2001-00077³ has improperly denied both customers and competitive local exchange carriers access to information necessary to buy wisely. We also will consider the policy implications of current CSA practices of BellSouth and Kentucky’s other LECs; determine whether the public interest demands that we require all CSAs to be filed in the future, thereby ensuring transparency and permitting both customers and CLECs the access necessary to buy and resell services; and determine whether we should set specific standards governing when services may be sold by CSA rather than by generally applicable tariffs.

Id. at pp. 9-10.

³ As noted *infra* at p. 2, Case No. 2001-00077 allowed BellSouth to file only monthly summaries of its CSAs, instead of actual CSAs.

While KRS 278.170 does state that there can be differences in prices given to customers, according to the Commission, “it has been understood that, pursuant to KRS 278.170, customers who are willing to agree to the commitments in another customer’s contract are entitled to the terms of that contract.” *Id.* at p. 6. The appellate court in *Big Rivers* did sustain the seemingly discriminatory rate scheme in that case, but the facts of that case are unique and different from the situation at issue here, where the rates to be scrutinized are not being set by the Commission. Furthermore, the differential pricing under CSAs is not a product of a plan to keep a utility from going out of business. Thus, the factual situation in *Big Rivers* lends no guidance to the present case. As stated earlier, the Commission itself has analyzed the statute, as well as the meaning and import of customers being “similarly situated,” and has found that the existence of an offer from a competitor cannot be the sole reason to find that customers are not similarly situated. Therefore, the statute itself, *Big Rivers*, the Commission’s own orders, as well as filings in other states, all make clear that any difference in rates must be reasonable and this standard is simply not met if customers using the same type, quantity, quality, etc. of service, i.e. they are “similarly situated,” are charged different rates.

IV. Administrative Case No. 370

The second issue the parties were asked to address was whether Administrative Case No. 370 relieved all competitive local exchange carriers (“CLECs”) of the duty to file CSAs. Regulation 807 KAR 5:011, §13, which addresses Special Contracts, states that:

Every utility shall file true copies of all special contracts entered into governing service which set out rates, charges or conditions of service not included in its general tariff. The provisions of this administrative regulation applicable to tariffs containing rates, rules and administrative regulations, and general agreements, shall also apply to the rates and schedules set out in said special contracts, so far as practicable.

807 KAR 5:011, §13. Pursuant to KRS 278.512, the Commission may grant carriers exemptions from regulations if the agency finds that granting the exemptions is in the public interest. See KRS 278.512 (2002).

In Administrative Case No. 370, the Commission, citing KRS 278.512 as authority, relieved CLECS of several tariffing requirements. *In the Matter of: Exemptions For Interexchange Carriers, Long-Distance Resellers, Operator Service Providers and Customer-Owned, Coin-Operated Telephones and Exemptions For Providers of Local Exchange Service Other Than Incumbent Local Exchange Carriers*, Administrative Case Nos. 359 and 370, *Order* (August 8, 2000) (“*Order*”). Some CLECs have interpreted the case as having exempted all CLECs from the requirement to file CSAs. While there is no language in the *Order* directly stating that CLECs no longer must file CSAs, this result could be reached through negative implication, as the *Order* does list several obligations the CLECs must continue to meet and does not list the filing of CSAs. *Order* at pp. 3-5. Whether or not that was the intent of the *Order*, it is AT&T’s position that, as a matter of public policy, nondominant providers, which lack market power, should not be required to file CSAs.

V. Termination Penalties and Length of Contract Requirements

The third issue the parties were asked to address at the hearing was termination penalties and length of contract requirements. These penalties and contract requirements, when instituted by incumbent providers, are usually anti-competitive in nature, for it is highly likely that the customer had no leverage with the incumbent when the customer entered into the arrangement, thus making it difficult for a customer to leave the incumbent’s service when a competitive

alternative emerges.⁴ The longer a customer is locked into a contract and the higher the penalty for terminating it, the more likely it is that the customer will not be able to take advantage of competitive alternatives. Such requirements are typically imposed when the customer has little bargaining power, leaving the customer no choice but accept service subject to these termination penalties. In a truly competitive market, more favorable terms would be negotiated. Allowing an incumbent to pass along large termination penalties to either a customer or a competitor is contrary to public policy. Furthermore, the imposition of lengthy contract term requirements exacerbates the problem if termination penalties are calculated based on the length of the contract—the longer the customer is locked in the contract, the higher the termination penalties would be. Given that the “pro-competitive provisions” of the state and federal telecommunications statutes are the guiding principles for this proceeding (see, *CSA Order* at p.1), AT&T submits that the Commission should consider a proceeding to examine termination penalties and length of contract requirements instituted by incumbent providers.

The Commission could also explore placing a cap on the penalties assessed by incumbents. For example, in BellSouth’s General Subscriber Services Tariff in Tennessee, BellSouth caps termination penalties in the following manner:

A2.4.10 Payment Plans And Options For Contract Services

E. Disconnects

1. When a service or rate element, included under a PPCS arrangement, is terminated without cause prior to expiration of the tariff term plan, a termination liability charge will apply. Unless the tariff provisions governing a particular service provide otherwise, for tariff term plans entered into

⁴ Termination penalties and contract term requirements instituted by nondominant providers do not raise the same problem, as these providers are assumed to have entered into arms’ length agreements with their customers.

on or after April 3, 2001, this termination liability charge will not exceed the lesser of:

- a. The sum of repayments of discounts received during the previous twelve (12) months of service, the repayment of the prorated amount of any discounted or waived non-recurring charges, and the prorated amount of any documented contract preparation, implementation or tracking charges; or
- b. Six (6%) percent of the total tariff term plan amount if the tariff term plan is four (4) years or less; or twenty-four (24%) percent of the average annual revenues of the tariff term plan if the tariff term plan is longer than four (4) years. Term plan revenue is the total revenue billable under the term plan entered into by the customer. Average annual revenue is the aggregate revenue billable under the term plan divided by the number of years in the term plan.

BellSouth Telecommunications, Inc. Tennessee General Subscriber Services Tariff, A2.4.10 (E)(1) (Effective August 15, 2001). Because of the anticompetitive effects of large termination penalties and lengthy contract term requirements instituted by incumbents, the Commission should take a closer look at these matters.

VI. Filed Rate Doctrine

The fourth issue the parties were asked to address at the hearing was the current applicability of the filed rate doctrine. The basic premise of the filed rate doctrine is that all rates are to be filed with the Commission and similarly situated customers are to receive the same rates. The doctrine is personified in KRS 278.160, which states that:

- (1) Under rules prescribed by the commission, each utility shall file with the commission, within such time and in such form as the commission designates, schedules

showing all rates and conditions for services established by it and collected or enforced. The utility shall keep copies of its schedules open to public inspection under such rules as the commission prescribes.

- (2) No utility shall charge, demand, collect, or receive from any person a greater or less compensation for any service rendered or to be rendered than that prescribed in its filed schedules, and no person shall receive any service from any utility for a compensation greater or less than that prescribed in such schedules.

KRS 278.160 (2000).

KRS 278.160(1) provided the statutory authority for 807 KAR 5:011, which is the regulation requiring special contracts to be filed. As previously stated, all special contracts must be filed under 807 KAR 5:011(13). Thus, the filed rate doctrine plainly encompasses CSAs. As previously stated, however, pursuant to KRS 278.512, the Commission does have the authority to exempt carriers from regulations if the agency finds that granting the exemptions is in the public interest. Thus, if the Commission finds that competition in the business market has developed to the point where the filed rate doctrine should no longer be applied, the Commission should exempt such carriers from the requirements of KAR 5:011, and thus not require non-dominant carriers to file CSAs.

VII. Conclusion

AT&T urges the Commission to adopt a policy which would work to prevent discriminatory pricing and further competition. To this end, AT&T requests that the Commission require all incumbent carriers to file all CSAs, unredacted, with the Commission. Furthermore, AT&T requests that the Commission require all nondominant carriers to file summaries of their CSAs. This policy would provide the transparency necessary to help prevent discriminatory and predatory pricing on the part of incumbents, while at the same time, the

policy would not place regulatory requirements on nondominant providers which are not necessary because of the providers' lack of market power. Moreover, as a part of that policy, AT&T strongly urges the Commission to refuse to allow ILECs to price services differently to customers solely because a competitor exists. Instead, the Commission should form a policy in which the ability to price services differently is based on the totality of the circumstances, which would include the telecommunications service market and the provider seeking the ability to charge customers different rates. Therefore, the Commission should adopt AT&T's position and reject the Joint Industry Proposal submitted by the ILECS, as it places absolutely no restrictions on persons to whom CSAs could be offered, and thus would transform CSAs into mechanisms used solely to lock up customers and impede competition.

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By: Henry Walker by MC-B
Henry Walker
414 Union Street, Suite 1600
P.O. Box 198062
Nashville, Tennessee 37219
(615) 252-2363

Martha M. Ross-Bain
Martha M. Ross-Bain
AT&T Communications of the South Central
States, LLC
1200 Peachtree St., NE, Suite 8062
Atlanta, GA 30309
(404) 810-6713

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via fax or hand delivery and U.S. mail to the following on this the 21st day of January, 2004.

Martha Ross-Bain
AT&T Communications of the South
Central States
1200 Peachtree St., NE
Suite 8100
Atlanta, GA 30309

Murray Barr
ICG Telecom Group, Inc.
180 Grand Avenue, Suite 450
Oakland, CA 94612

Melissa Burris
Staff Specialist
MCIMetro Access Transmission Services,
Inc.
6 Concourse Parkway
Suite 3200
Alpharetta, GA 30328

Robert A. Bye
Corporate Counsel
Cinergy Communications Company
8829 Bond Street
Overland Park, KS 66214

Honorable Ann Louise Cheveront
Office of the Attorney General
Utility & Rate Intervention Division
1024 Capital Center Drive
Suite 200
Frankfort, KY 40601

Ms. Joan A. Coleman
Director - Regulatory
BellSouth Telecommunications, Inc.
601 West Chestnut Street, 4NE
P.O. Box 32410
Louisville, KY 40232

W. A. Gillum
General Manager
Mountain Telephone Cooperative, Inc.
405 Main Street
P.O. Box 399
West Liberty, KY 41472-0399

Stephen R. Byars
Vice President-External Affairs
ALLTEL Kentucky, Inc.
P.O. Box 1650
Lexington, KY 40588-1650

Brimm Sulmoneti, Esquire
Intermedia Communications, Inc.
c/o MCI Telecommunications Corp.
Concourse Corporate Center Six
6 Concourse Parkway, Suite 3200
Atlanta, GA 30328

James Campbell
Director of Operations
Gearheart Communications Co., Inc.
dba Coalfields Telephone Co.
5 Laynesville Road
Harold, KY 41635

Honorable David A. Cohen
Attorney at Law
Yunker & Associates
P.O. Box 21784
Lexington, KY 40522-1784

Dr. Bob Davis
113 Pebble Beach
Georgetown, KY 40324

William K. Grigsby
Assistant Manager
Thacker-Grigsby Telephone Company, Inc.
9500 Communications Lane
P.O. Box 789
Hindman, KY 41822

Honorable William R. Atkinson
Sprint Communications Company L.P.
Southeast Division
3065 Cumberland Blvd.
Mailstop GAATLD0602
Atlanta, GA 30339

Trevor R. Bonnstetter
General Manager
West Kentucky Rural Telephone
Cooperative Corporation, Inc.
237 North Eighth Street
P.O. Box 649
Mayfield, KY 42066-0649

Stephen R. Byars
Vice President-External Affairs
Kentucky ALLTEL, Inc.
P.O. Box 1650
Lexington, KY 40588-1650

Honorable Dorothy J. Chambers
Senior State Operations Counsel
BellSouth Telecommunications, Inc.
601 West Chestnut Street, 4NE
P.O. Box 32410
Louisville, KY 40232

Joan Coleman
Director-Regulatory & External Affairs
BellSouth Telecommunications, Inc.
601 West Chestnut Street, 4NE
P.O. Box 32410
Louisville, KY 40232

Keith Gabbard
Manager
Peoples Rural Telephone
Cooperative Corporation, Inc.
P. O. Box 159
McKee, KY 40447

James Hamby
Office Manager
Highland Telephone Cooperative, Inc.
P.O. Box 119
7840 Morgan County Highway
Sunbright, TN 37872

Jeff Handley
Manager-Revenue & Earnings
Leslie County Telephone Company, Inc.
c/o TDS-Telecom Southeast Division
9737 Cogdill Road, Suite 230
Knoxville, TN 37932-3374

Honorable C. Kent Hatfield
Attorney at Law
Middleton & Reutlinger
2500 Brown & Williamson Tower
Louisville, KY 40202

William W. Magruder
Duo County Telephone Cooperative
Corporation, Inc.
1021 West Cumberland Avenue
P.O. Box 80
Jamestown, KY 42629

Honorable James R Newberry, Jr.
Wyatt, Tarrant & Combs, LLP
Lexington Financial Center
250 West Main Street, Suite 1700
Lexington, KY 40507

John Powell
President
Computer Innovations
P.O. Box 539
Richmond, KY 40476

Honorable W. Brent Rice
Attorney At Law
McBayer, McGinnis, Leslie and
Kirkland, PLLC
201 East Main Street
Suite 1000
Lexington, KY 40507

F. Thomas Rowland
Executive V.P./General Manager
North Central Telephone
Cooperative, Inc.
872 Highway 52 By-Pass
P.O. Box 70
Lafayette, TN 37083-0070

Jeff Handley
Manager-Revenue & Earnings
Lewisport Telephone Company, Inc.
c/o TDS-Telecom Southeast Division
9737 Cogdill Road
Suite 230
Knoxville, TN 37932-3374

Honorable John N. Hughes
Attorney At Law
124 West Todd Street
Frankfort, KY 40601

Honorable Thomas A. Marshall
Attorney At Law
212 Washington Street
P.O. Box 223
Frankfort, KY 40601

Harlon E. Parker
General Manager
Ballard Rural Telephone Cooperative
Corporation, Inc.
159W. 2nd Street
P.O. Box 209
La Center, KY 42056-0209

Thomas E. Preston
Foothills Rural Telephone
Cooperative Corporation, Inc.
1621 Kentucky Route 40 W
P.O. Box 240
Staffordsville, KY 41256

Mark Romito
Director - Government Relations
Cincinnati Bell Telephone Company
201 East Fourth Street
P.O. Box 2301
Cincinnati, OH 45201-2301

David Sandidge
Electric And Water Plant Board
Of The City Of Frankfort
317 West Second Street
Frankfort, KY 40601

Jeff Handley
Manager-Revenue & Earnings
Salem Telephone Company
c/o TDS-Telecom Southeast Division
9737 Cogdill Road
Suite 230
Knoxville, TN 37932-3374

Thomas Kramer
Sr. Vice President
Cincinnati Bell Long Distance Inc.
CBLD Center, Suite 2300
36 East Seventh Street
Cincinnati, OH 45202

Darrell Maynard
President
SouthEast Telephone, Inc.
106 Power Drive
P.O. Box 1001
Pikeville, KY 41502-1001

John A. Powell
AEEP, Inc.
205 South Third Street
Richmond, KY 40475

Clinton Quenzer
Logan Telephone Cooperative, Inc.
P.O. Box 97
10725 Bowling Green Road
Auburn, KY 42206

F. Thomas Rowland
Executive V.P./General Manager
North Central Telephone
Cooperative, Inc.
872 Highway 52 By-Pass
P.O. Box 70
Lafayette, TN 37083-0070

Robin H. Taylor
BellSouth BSE, Inc.
400 Perimeter Center Terrace
North Terraces Bldg., Suite 220
Atlanta, GA 30346

Robin H. Taylor
BellSouth Long Distance, Inc.
400 Perimeter Center Terrace
North Terraces Bldg. - Suite 400
Atlanta, GA 30346

Craig Winstead
Owner
SPIS.net
P.O. Box 1250
Dulin Street
Madisonville, KY 42431

Daryl Wyatt
General Manager
South Central Telcom, LLC
1399 Happy Valley Road
P.O. Drawer 159
Glasgow, KY 42141-0159

Hon. Robert A. Bowman
Hobson & Bowman
222 W. Main Street
Frankfort, KY 40601

Scott E. Beer
ICG Telecom Group, Inc.
180 Grand Avenue, Suite 450
Oakland, CA 94612

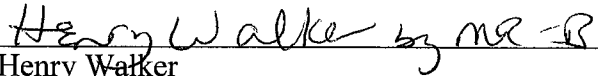
J. D. Tobin, Jr.
Brandenburg Telephone Company, Inc.
200 Telco Road
P.O. Box 599
Brandenburg, KY 40108

A.D. Wright
e-Tel, LLC
607 Broadway
Paducah, KY 42001

Allison T. Willoughby
Brandenburg Telecom, LLC
200 Telco Drive
Brandenburg, KY 40108

Daryl Wyatt
General Manager
South Central Rural Telephone
Cooperative Corporation, Inc.
1399 Happy Valley Road
P. O. Box 159
Glasgow, KY 42141-0159

Hon. David C. Olson
Frost, Brown Todd, LLC
2200 PNC Center
201 E. 5th Street
Cincinnati, OH 45202-4182


Henry Walker