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PUBLIC SERVICE
COMMISSION

VIA OVERNIGHT MAIL

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

Re: South Central Telcom LLC, Complainant, v. BellSouth
Telecommunications, Inc., Defendant
KPSC 2006-00448

Dear Mr. Derouen:

Enclosed for filing in the above-captioned case are the original and six (6) copies of AT&T Kentucky's Response to South Central Telcom's Post-Hearing Brief.

Sincerely,


Mary K. Keyer

Enclosures

cc: Party of Record

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SOUTH CENTRAL TELCOM LLC)	
)	
COMPLAINANT)	
)	
v.)	CASE NO. 2006-00448
)	
BELLSOUTH TELECOMMUNICATIONS, INC.)	
)	
DEFENDANT)	

**AT&T KENTUCKY'S RESPONSE TO SOUTH CENTRAL
TELCOM'S POST-HEARING BRIEF**

Defendant BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky ("AT&T Kentucky") submits this response to the post-hearing brief ("SCT Brief") submitted by South Central Telcom LLC ("South Central Telcom" or "SCT"). This response is submitted solely for the purpose of correcting blatant misstatements of fact by South Central Telcom in its post-hearing brief. As to the arguments regarding the issues and AT&T Kentucky's requested remedies, AT&T Kentucky relies on its post-hearing brief and the record in this case.

The following list of inaccuracies is not an exhaustive list of the misstatements contained in South Central Telcom's post-hearing brief, but highlights the more egregious misstatements that are wholly unsupported by the record and should be disregarded by the Commission.

1. South Central Telcom asserts that AT&T Kentucky does not "dispute that it owes SCT compensation for *much* of the traffic it delivers to SCT." SCT Brief at 3

(emphasis added). This is false. To the contrary, AT&T Kentucky witness Patricia Pellerin testified that AT&T Kentucky is willing to pay terminating compensation for the AT&T Kentucky-originated calls that AT&T Kentucky delivers to South Central Telcom's affiliate, South Central Rural Cooperative Corporation, Inc. ("South Central Rural"), an incumbent independent telephone company ("ICO") for termination to South Central Telcom's customers. Tr. at 55; Pellerin Direct Testimony at 4; 11 Pellerin Rebuttal Testimony at 6. This traffic represents *less than two percent (2%)* of the traffic that AT&T Kentucky delivers to South Central Telcom end users via South Central Rural and does not constitute "much of the traffic it delivers to SCT." Tr. at 90; Pellerin Direct Testimony at 11, fn. 5.¹

2. South Central Telcom claims that AT&T Kentucky acknowledged that the Exchange Message Interface ("EMI") billing records it provides to South Central Telcom are "by AT&T's own admission insufficient to bill third-party carriers." SCT Brief at 2. This claim is not true. Rather, Ms. Pellerin testified that AT&T Kentucky provides industry standard EMI usage records to South Central Telcom that *can* be used by South Central Telcom for billing the originating carriers (*i.e.*, carriers other than AT&T Kentucky). In response to a question from Commission counsel on this very issue, Ms. Pellerin testified that:

South Central Telcom has the EMI records that we tell them say, "We sent you 1,000 minutes that originated with NuVox." So, if South Central Telcom were to bill NuVox directly, then they would be billing them for 1,000 minutes at whatever rate those parties negotiated

¹ Regarding compensation for non-facilities based CLEC traffic (*i.e.*, CLECs that use AT&T Kentucky's switch), AT&T Kentucky remains willing to discuss compensation for this traffic as part of good faith negotiations of an appropriate agreement. Tr. at 90.

Tr. at 95, l. 21 thru 96, l. 1. The above explanation is completely consistent with the rest of Ms. Pellerin's testimony on this issue. See Pellerin Direct Testimony at 23-24; Tr. at 85 ("Q. . . . Are these records sufficient to allow South Central to determine the different types of traffic? A. Yes."); Tr. at 93 ("...we provide them those EMI records that say, 'This traffic came from that originating carrier.'"). Moreover, by its own admission, South Central Telcom does not bill AT&T Kentucky for CMRS traffic. Tr. at 28. Accordingly, by its own actions South Central Telcom has conceded that it can use EMI records to bill originating carriers (since it relies on such records to exclude CMRS traffic from the amounts it bills AT&T Kentucky).

3. South Central Telcom claims that "AT&T delivers *solely* interexchange access traffic to SCT" SCT Brief at 2 (emphasis added). This assertion is inaccurate. Ms. Pellerin testified that AT&T Kentucky predominately delivers *transit* traffic, not interexchange traffic, to South Central Telcom. Tr. at 56-59. AT&T Kentucky is not an interexchange carrier and does not become one by transiting and delivering calls originated by third-party carriers to South Central Telcom's end users. Tr. at 56, 78. As Ms. Pellerin testified, "it is the originating carrier, not AT&T Kentucky, that has the end-user revenue associated with these calls." Tr. at 57. Regarding the transit traffic that AT&T Kentucky delivers, Ms. Pellerin testified that she did not know whether calls made by third party originators were local calls or toll calls to South Central Telcom because these transit calls are based on the originating carriers' calling plans, not AT&T Kentucky's. Tr. at 93-94. In contrast, the South Central Telcom witness: (i) could not explain his definition of transit traffic (Tr. at 26-27); (ii) agreed with AT&T Kentucky's definition of transit traffic (Tr. at 27) and (iii) proclaimed that transit traffic is the same as

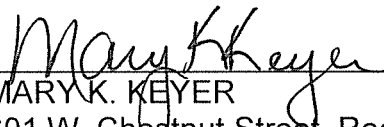
toll traffic (Tr. at 25). In sum, the claim that “AT&T delivers solely interexchange access traffic to SCT” lacks record support.

4. South Central Telcom also claims that “AT&T admits that it is the default toll provider for ICO-originated traffic within the Louisville LATA. As such, AT&T functions as an interexchange carrier.” SCT Brief at 11. This is another false statement. South Central Telcom’s assertion is unsupported by the record as Ms. Pellerin made no such admission during the hearing. Ms. Pellerin testified that AT&T Kentucky is the “default *intraLATA* toll provider,” not an *interexchange* carrier, for *certain* ICO end users *pursuant to an agreement* among carriers. Tr. at 103. AT&T Kentucky is not the “default toll provider” for all ICOs in the Louisville LATA.

In summary, the record demonstrates that the vast majority of traffic AT&T Kentucky delivers to South Central Telcom’s end users via South Central Rural is transit traffic, originated on third party carriers’ networks, for which AT&T Kentucky has no compensation obligation. Further, AT&T Kentucky provides South Central Telcom with industry standard EMI records indicating the volume and source of transit traffic. Accordingly, South Central Telcom has the information necessary to bill originating carriers (rather than AT&T Kentucky).

It is respectfully submitted that the Commission should resolve this case by requiring the parties to enter into a traffic exchange agreement that identifies the traffic that is or may be exchanged between the parties and that sets forth the parameters, including rates, for the exchange of AT&T Kentucky-originated traffic. For third-party-originated traffic (*i.e.*, transit traffic), the Commission should rule that South Central Telcom is not entitled to any compensation from AT&T Kentucky for the delivery of such traffic.

Respectfully submitted,



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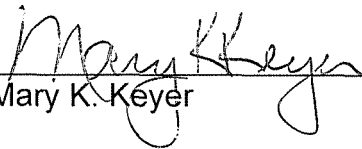
COUNSEL FOR BELLSOUTH
TELECOMMUNICATIONS, INC.,
D/B/A AT&T KENTUCKY

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served on the following individual by mailing a copy thereof, this 8th day of July 2009.

Hon. John E. Selent
Attorney at Law
Dinsmore & Shohl, LLP
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500 West Jefferson Street
Louisville, KY 40202


Mary K. Keyer