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**PUBLIC SERVICE
COMMISSION**

April 26, 2006

VIA HAND DELIVERY

Ms. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: West Kentucky Rural Telephone Cooperative Corporation, Inc. and West Kentucky Networks, Inc.; Proposed Acquisition of Assets of Yorkville Telephone Cooperative, Inc., a Tennessee Incumbent Local Exchange Carrier, and Yorkville Communications, Inc., a Tennessee Provider of Long Distance, Internet, and Wireless Services

Dear Ms. O'Donnell:

We are legal counsel to West Kentucky Rural Telephone Cooperative Corporation, Inc. ("West Kentucky Rural Cooperative") and West Kentucky Networks, Inc. ("West Kentucky Networks") (collectively, "West Kentucky").

The purpose of this letter is to inform the Public Service Commission of the Commonwealth of Kentucky (the "Commission") of West Kentucky's proposed purchase of substantially all the assets of Yorkville Telephone Cooperative, Inc., a Tennessee incumbent local exchange carrier ("ILEC") and provider of wireless services ("Yorkville Cooperative"), and Yorkville Communications, Inc., a Tennessee provider of long distance, internet, and wireless services ("Yorkville Communications") (collectively, "Yorkville"). Yorkville provides services solely within the State of Tennessee.

The general structure of this transaction (the "Transaction") is as follows.

- The Transaction will be strictly a cash transaction. Thus, West Kentucky will not incur any indebtedness, nor will it grant any entity or individual a security interest in its assets, in connection with the Transaction.

- West Kentucky Cooperative will purchase substantially all the ILEC assets of Yorkville Cooperative.
- West Kentucky Networks will purchase substantially all the assets of Yorkville Communications, as well as the wireless assets of Yorkville Cooperative.
- Upon closing of the Transaction, the members/customers of the Yorkville companies will purchase services from West Kentucky Rural Cooperative or West Kentucky Networks, as appropriate.
- The Transaction has been approved by the board of directors of Yorkville and West Kentucky.
- Pursuant to Tennessee law, the Transaction remains subject to final approval by the members of Yorkville Cooperative.
- Closing of the Transaction is expected to occur on or around May 31, 2006.

We do not believe Kentucky law requires Commission approval of the Transaction; thus, we are providing this notice to the Commission solely as a courtesy. While KRS 278.020(5)-(6) addresses Commission approval of certain utility transactions, neither statute is applicable to this Transaction for the reasons set forth below.

First, KRS 278.020(5) is not applicable to the Transaction. KRS 278.020(5) provides, "No person shall acquire or transfer ownership of, or control, or the right to control, any utility under the jurisdiction of the commission by sale of assets, transfer of stock, or otherwise, or abandon the same, without prior approval by the commission." *Id.* (emphasis added). Yorkville provides services solely within the State of Tennessee, and it is not "under the jurisdiction of the [C]ommission." Therefore, KRS 278.020(5) does not require Commission approval of the Transaction.

Second, KRS 278.020(6) is not applicable to the Transaction. KRS 278.020(6) provides, "No... corporation... shall acquire control, either directly or indirectly, of any utility furnishing utility service in this state, without having first obtained the approval of the commission." *Id.* (emphasis added). The statute goes on to define "control" as "the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a utility..." *Id.* Because West Kentucky is purchasing only the assets of Yorkville, Yorkville will not acquire any control over West Kentucky. Moreover, any Yorkville member/customers who become member/customers of West Kentucky Cooperative will not constitute a majority of the combined membership and accordingly cannot, either

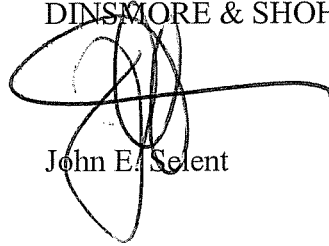
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directly or indirectly, have the "power to direct or cause the direction of the management and policies of a utility." Therefore, KRS 278.020(6) does not require Commission approval of the Transaction.

Thank you, and if you have any questions or concerns about this transaction, please call me at (502) 540-2300.

Very truly yours,

DINSMORE & SHOHL LLP

A handwritten signature in black ink, appearing to read "John E. Selent", is written over the printed name and firm name.

John E. Selent

JES/mbt

cc: Trevor Bonnstetter
Kerry Watson

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