



Commonwealth of Kentucky
Governor's Office

Andy Beshear
Governor

Kentucky Communications Network Authority
500 Mero Street, Suite 1 – 1NC
Frankfort, KY 40601
(502) 782-9549

Stewart Douglas Hendrix
Executive Director

March 21, 2024

Rob Morphonios
Chief Executive Officer
KentuckyWired Operations Company, LLC
312 South 4th Street
Suite 700
Louisville, KY 40202

Re: KentuckyWired Operations Company, LLC's March 8, 2024 Market Testing correspondence

Rob,

The Kentucky Communications Network Authority (KCNA) has received and reviewed the foregoing correspondence and replies hereto. [REDACTED]

Second, Market Testing remains KWOC's procurement. Frankly, KCNA is concerned that KWOC did not obtain its bidders best and final offers before it recommended a Preferred Service Tenderer. If, in KWOC's opinion, the bidders may submit better offers, KWOC has the authority to do so under the Project Implementation Agreement, Schedule 19.

Third, [REDACTED]

[REDACTED] Therefore, KCNA recommends that the parties hold the first meeting of the informal dispute at the standing Market Testing meeting set for 2:00 p.m. on March 28, 2024.

Fourth, it is KCNA's understanding that in its bid documents, [REDACTED]
[REDACTED]
[REDACTED]

Nothing in this letter is intended to or shall be deemed or construed to in any way waive, alter, or impair the obligations or any of the rights or remedies of the Commonwealth. The Commonwealth's decision not to enforce a provision of the Project Agreement will not constitute a waiver of its rights to subsequently enforce such provision or any other provision of the Project Agreement. The Commonwealth specifically reserves any claim, including, but not limited to, claims asserted the letter dated May 4, 2023 to KWOC's counsel, whether known or unknown, arising from or relating to any past, present, or future non-compliance with respect to the matters set forth herein. The Commonwealth makes no representations, outside of those asserted in this letter, as to what actions, if any, it will take as a result of KWOC's non-compliance with Schedule 19, and hereby reserves all rights and remedies relating to the same.

Sincerely,

Stewart Douglas Hendrix

Stewart Douglas Hendrix
Executive Director