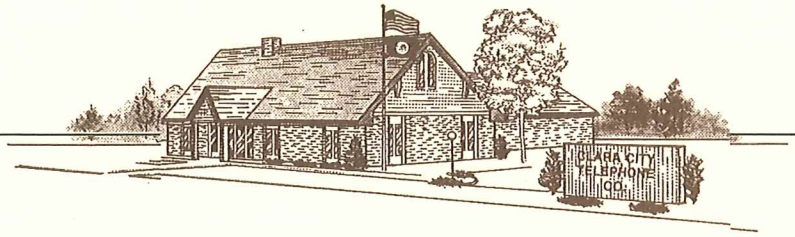
**CLARA CITY TELEPHONE CO.**

PHONE 320/847-2211 · FAX 320/847-2736
227 SOUTH MAIN STREET
P.O. BOX 800 · CLARA CITY, MINNESOTA 56222-0800




January 27, 2017

**By Electronic Filing**

Kris Monteith
Wireline Competition Bureau Acting Chief
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: *Protecting and Promoting the Open Internet,* GN Docket No. 14-28; *Connect America Fund,* WC Docket 10-90, *Developing a Unified Intercarrier Compensation Regine,* CC Docket No. 01-92

Dear Ms. Monteith:

Pursuant to the Commission's *Open Internet Order*[1], Clara City Telephone Company ("Clara City" or the "Company") hereby notifies the Bureau of its intention to cease offering broadband Internet transmission service as a separate component of its broadband Internet access service effective April 1, 2017. As such, broadband Internet transmission will only be furnished as part of a complete broadband Internet access service that the Company provides to its end user customers either through itself or its affiliate.

The Commission made clear in the *Rate of Return Connect American Fund Order*[2], as well as in its *Clarification Order*[3], that a rate-of-return carrier could make such an election with sixty (60) days' notice and thus the revenues associated with the broadband Internet access transmission would no longer be subject to Federal Universal Service contributions.

Clara City currently provides broadband Internet transmission service as a permissively detariffed Title II service offering which is presently only furnished to the Company's ISP affiliate. The Company has provided notice to its ISP affiliate via an interoffice memorandum of its intention to cease offering broadband Internet transmission service as a separate component of its broadband Internet access service effective April 1, 2017.

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[1] *Protecting and Promoting the Open Internet,* GN Docket No. 14-28, Report and Order, Declaratory Ruling and Order, 30 FCC Rcd 5601, ¶460 & n. 1378 (2015)
[2] *Connect America Fund,* WC Docket No. 10-90, et al., Report and Order, Order & Order on Reconsideration & Further Notice of Proposed Rulemaking, FCC 16-33, ¶ 194, n. 429 (rel. Mar. 30, 2016)
[3] *Connect America Fund,* WC Docket Nos. 10-90, *et al.*, Order DA 16-661, ¶ 25 (WCB, rel June 15, 2016) (citing the *Open Internet Order*).

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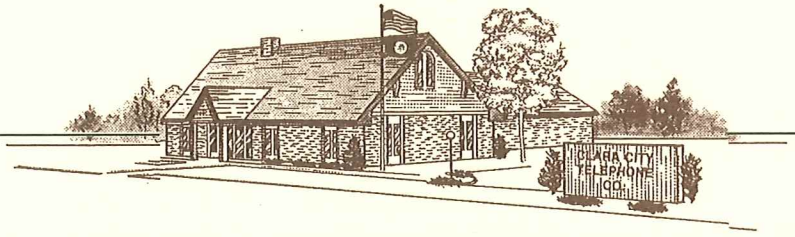


This notice is effective 60 days following the date of this letter unless withdrawn or extended prior to that time.

Kindly direct any questions regarding this filing to Pamela Hintz at (651) 621-8535 or via email at phintz@otcpas.com. Thank you.

Sincerely,

Clara City Telephone Company

Bruce Hanson
Treasurer

cc: Pamela Arluk, Chief, Wireline Competition Bureau Pricing Policy Division
Special Assistant for Telecommunications at the Department of Defense
Governor Mark Dayton
Minnesota Public Utilities Commission

**CERTIFICATE OF SERVICE**

I, Bruce Hanson, do certify that I have, on this 27th day of January, 2017, served by first class mail a copy of the foregoing Notice of Discontinuance of broadband Internet transmission service as a separate component of its Broadband Internet access service to the following persons:

Secretary of Defense
Attn: Special Assistant for Telecommunications
Pentagon
Washington, DC 20301-1000

Governor Mark Dayton
Office of the Governor
130 State Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Minnesota Public Utilities Commission
Attn: Mr. Daniel Wolf
121 7th Place East, Suite #350
St. Paul, MN 55101