arvig

150 Second Street SW
Perham, MN 56573

218.346.5500

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VIA ECFS

December 30, 2016

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, D.C. 20554

RE: Notice of Provision of Consumer Broadband Only Loop Service on a Permissive Detariffed Basis

CC Docket No. 02-33

Dear Ms. Dortch,

In accordance with the FCC's 2016 *Rate of Return Reform Order*,[1] Melrose Telephone Company is hereby providing the FCC with the attached notice of the Company's election to provision its consumer broadband only loop service on a permissively detariffed basis, effective February 1, 2017. In addition, following the notice to the FCC is the notice that Melrose Telephone Company furnished its affiliated Internet service provider, which is presently the only customer of the Company's consumer broadband only loop service.

A copy of this notice is also being sent to the Minnesota Public Utilities Commission, the Governor of Minnesota, and the Special Assistant for Telecommunications at the Department of Defense.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Allen Arvig
President and CEO

Attachment

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[1] *Appropriate Framework for Broadband Access to the Internet Over Wireline Facilities, et al.*, Universal Service Obligations of Broadband Providers, CC Docket No. 02-33, WC Docket No. 05-271, Report and Order and Notice of Proposed Rule Making, 20n FCC Rcd 14853 (2005), FCC 05-150 (Rel. September 23, 2005), Wireline Broadband Order, FCC 16-33 (rel. Mar. 30, 2016), para. 193 (*Rate of Return Reform Order*).

Melrose Telephone Company
Study Area Code 361430

Notice of Provision of Consumer Broadband Only Loop Service On A

Permissive Detariffed Basis

CC Docket No. 02-33

The Federal Communications Commission in its March 30th, 2016 Rate of Return Reform Order established revised cost allocation procedures to provide support for broadband-capable network loop costs. Therein, the Consumer Broadband Only Loop (CBOL) rate was established as means of recovering a portion of the loop costs associated with providing broadband only service. The Federal Communications Commission afforded carriers the option of tariffing the rate in their interstate common line tariff, or to offer the service on a permissively detariffed basis. Today Melrose Telephone Company provides notice of its intent to offer the Consumer Broadband Only Loop service on a permissive detariffed basis, effective February 1, 2017.

Melrose Telephone Company will post the rates, terms and conditions of its Consumer Broadband Only Loop service to its website of www.arvig.com. The Company will also make physical copies of its offering reflecting the rates, terms and conditions available for public inspection at its business office, at the address provided below:

Melrose Telephone Company
150 2nd St. SW
Perham, MN 56573

The permissive detariffing of Melrose Telephone Company's Consumer Broadband Only Loop offering, will apply to the entirety of the Company's study area.

Melrose Telephone Company currently has only one customer for its Consumer Broadband Only Loop and other broadband Internet access transmission service. That customer is the Company's own non-regulated Internet service provider (ISP) affiliate. The Company's affiliated ISP purchases Consumer Broadband Only Loop and broadband Internet access transmission service for use as an input for the broadband Internet access services it offers to residential and business end-user customers. The provision of the Consumer Broadband Only loop service as a detariffed service will have no effect on the end-user services provided by the Company's affiliated ISP.

On December 30, 2016, Melrose Telephone Company furnished its affiliated ISP with the attached memorandum, which notifies the ISP of the Company's plan to provide its Consumer Broadband Only Loop service on a detariffed basis.

cc: Minnesota Public Utilities Commission
Governor Minnesota
Special Assistant for Telecommunications at the Department of Defense

Certificate of Service

I, Allen Arvig, do certify that I have, on this 30th of December, 2016:

1. Served by first class mail a copy of the foregoing Notice of Permissive De-tariffing of Consumer Broadband Only Loop Service to the following:

   Secretary of Defense
   Attn: Special Assistant for Telecommunications
   1000 Defense 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

2. Served via electronic filing a copy of the foregoing Notice of Permissive De-tariffing of Consumer Broadband Only Loop Service to the following:

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

3. Served via paper copy of the foregoing Notice of Permissive De-tariffing of Consumer Broadband Only Loop Service to the following:

   Arvig Enterprises, Inc.
   150 2nd St. SW
   Perham, MN 56573

150 Second Street SW
Perham, MN 56573

218.346.5500

arvig.com

To: Arvig Enterprises, Inc.

From: Allen Arvig, Melrose Telephone Company

Date: December 30, 2016

RE: Notice of Provision of Consumer Broadband Only Loop Service On A Permissive Detariffed Basis

This is to notify you of a change in the way in which Melrose Telephone Company provides its Consumer Only Broadband Loop service, which is used as in input for the broadband Internet access services that you offer to residential and business end-user customers.

Presently, Melrose Telephone Company provides its Consumer Only Broadband Loop service under a tariff through the National Exchange Carrier Association (NECA) Tariff F.C.C No. 5. The Company will no longer offer such DSL transmission service pursuant to a Tariff effective February 1, 2017. On and after February 1, 2017 services will be made to you on a common-carrier, non-tariffed basis.

To view the rates, terms and conditions of our Consumer Broadband Only Loop services, please visit the Company's website at www.arvig.com. In addition, printed copies of the rates, terms and conditions will be available at our office, during normal business hours.

Melrose Telephone Company
150 2nd St. SW
Perham, MN 56573

Please note that the existing relevant rates, terms and conditions of your service will not change until the end of your existing term or upon replacement of a new agreement under the detariffed rates, terms and conditions.

Sincerely,

Allen Arvig
President and CEO