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January 27, 1994

Mr. William Katon  
Acting Secretary  
Federal Communications Commission  
Room 222  
1919 M Street, N.W.  
Washington, D.C. 20554

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100-111-1RD

In the Matter of )  
)  
Implementation of Section )  
309(j) of the Communications )  
Act Competitive Bidding )

PP Docket No. 93-253

Dear Mr. Katon:

Taconic Telephone Corp. (Taconic) takes this opportunity to informally submit these comments in the above-captioned proceeding.

Taconic is an independent telephone company that provides service to 22,500 access lines in 10 New York exchanges and one in Massachusetts. We have two subsidiaries: one that primarily provides cable TV to nine rural communities and one that participates as a limited partner in the provision of cellular service in both an RSA and MSA.

The Federal Communications Commission was directed by Congress through the Omnibus Budget Reconciliation Act of 1993 to ensure that small businesses, rural telcos, and businesses owned by women and minorities are "given the opportunity to participate" in the provision of spectrum-based services. Taconic considers itself a small, rural, woman-controlled telco. Therefore, it is sharing its understanding of how these designated entities should be defined

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and treated so that businesses similar to Taconic and their potential customers receive the benefits intended by Congress.

As mentioned in the Small Business Advisory Committee report, Taconic also questions whether the existing net worth/income size standard may be too low for telecommunications industries, such as Personal Communications Service (PCS), that may be capital intensive. This is especially pertinent when the Commission's proposed large service areas and build-out requirements, in addition to the bidding price, are taken into consideration. All of these elements are likely to be very capital intensive. Taconic believes a more accurate measure of size than a net worth standard is the Small Business Administration's definition of "small" under "radiotelephone communications," which is a business having less than 1,500 employees.

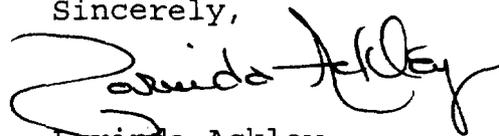
The definition of a rural telephone company also needs to be carefully designed. Taconic agrees with the position advanced by many formal commentors that a rural telco should be defined as a telephone company serving 50,000 access lines or less or one that does not serve a town, community or incorporated area with a population in excess of 10,000. This will ensure the development and rapid deployment of new technologies and products to rural residents.

Several formal commentors to this proceeding duly noted the under-representation of women in the telecommunications industry and the significant barriers that are faced by the small number of women who do participate. Because of these findings and taking

the economic opportunity to provide PCS service, Taconic believes the definition of "control" should not rely solely on the percentage of company stock owned by the woman. Rather, Taconic believes true "control" should be based on the woman's active, daily management and operation of the business; her ability to approve the company's capital and expense budgets; and her accountability for the actions of the business to shareholders, a board of directors, regulators, or other government agencies.

Taconic has an established operating presence and reputation for consistently delivering high quality communications services to its rural customers. Taconic also has the ability and commitment to quickly deploy PCS to its communities. However, as we have respectfully suggested, the definitions of a small business, rural local exchange carrier, and women-controlled business must be realistically crafted to fulfill Congress' intent to provide these designated entities with true economic opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read "Lorinda Ackley". The signature is fluid and cursive, with a large initial "L" and "A".

Lorinda Ackley  
President