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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of )  
 )  
Amendment of the Commission's )  
Rules and Policies to Increase )  
Subscribership and Usage of the )  
Public Switched Network )

CC DOCKET NO. 95-115

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COMMENTS OF THE  
NATIONAL TELEPHONE COOPERATIVE ASSOCIATION

David Cosson  
L. Marie Guillory  
Its Attorneys

2626 Pennsylvania Avenue, N.W.  
Washington, D.C. 20037  
(202) 298-2300

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## SUMMARY

The Commission should consolidate this proceeding with the proceeding in which it is considering permanent rule changes that will govern high cost mechanisms for preserving Universal Service. Existing subscribership levels are a testament to the success of Universal Service support mechanisms. Subscribership issues cannot be divorced from the issues related to the proposed changes to the high cost support mechanisms. Likewise, the Link Up and Lifeline Assistance programs were established in the docket that considered high cost support mechanisms. Both programs should be retained and improved and regarded as mechanisms that address the overall issue that relates to maintaining access to services at reasonable rates for all the people in the Nation.

Universal Service also requires the Commission to consider more than mere connection to the public switched network (PSN). Access to advanced telecommunications will increasingly be viewed as the national norm. All areas of the Nation as well as the various population groups will require advanced telecommunications services to fully participate in democratic processes, commerce and the economy and to enjoy the benefits of health, education and other services provided by institutions, local, state and the national government. Policies aimed at promoting Universal Service cannot ignore these requirements.

The Commission is properly concerned that disconnections contribute to low subscribership levels. In NTCA's view,

inflexible call control rules are an inappropriate response to this problem. Local exchange carriers are already taking measures to address the unique problems of subscribers that have difficulty with paying their toll bills. Small companies in particular have been innovative in establishing local only service, in issuing debit cards and in using other innovative measures to keep subscribers connected to the public switched network and to meet the needs of highly mobile customers. There is no need for the Commission to mandate inflexible national solutions such as the proposed rule that would prohibit disconnection for non payment of toll. The rule should not be enacted without an analysis of the costs it will involve in light of the potential benefits. The Commission should allow LECs to continue to work out solutions that meet their particular needs and serve the best interest of all subscribers.

Even though the Commission should not enact inflexible call control measures, it can take other steps that will have a positive effect on bringing service to unserved areas, thereby increasing subscribership. The Commission should clarify that study area waivers are not needed to serve previously unserved areas. No public purpose is served by requiring LECs to obtain these waivers in connection with areas that have not previously been included in any area for the purpose of interstate ratemaking. The Commission can also positively impact subscribership by granting the petition of NTCA and others asking for a rulemaking to allocate additional frequencies to the Basic

Exchange Radio Telecommunications Service. There is a need for additional frequencies for this service which is uniquely suited to bring telecommunications services to previously unserved areas too remote or difficult to reach by wire.

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INTRODUCTION

In this Notice of Proposed Rule Making, (FCC 95-281), released July 20, 1995, NPRM, the Commission proposes rule changes and initiatives to increase the level of telephone subscribership in the United States.

The National Telephone Cooperative Association ("NTCA") is a national association representing approximately 500 small and rural independent local exchanges carriers ("LECs") providing telecommunications services to interexchange carriers and subscribers throughout rural America.

NTCA members provide local exchange service to areas that are the most sparsely populated in the Nation. The cost of providing service to these rural areas are generally above the national average due to the sparsity of inhabitants and other factors such as harsh climate and difficult terrain. Despite these high costs, NTCA members have brought state of the art services to parts of the country that are the most difficult to

serve. The high subscribership levels in rural areas proves that NTCA companies have played a vital role in the achievement of the national goal of Universal Service. Federal policies to foster Universal Service and ensure service to rural areas have also played a key role in establishing and maintaining high levels of subscribership. The programs that impalement these policies are still needed to sustain high telephone subscribership levels in rural areas and to ensure that rural areas have access to comparable services as the Nation formulates a new concept of Universal Service. If the Commission wants to increase subscribership levels, its principal focus should be placed on expanding and improving these existing programs.

#### DISCUSSION

I. A SUBSCRIBERSHIP LEVEL OF 100% IS MERELY THE THRESHOLD NEEDED FOR ATTAINMENT OF THE NATION'S UNIVERSAL SERVICE GOAL.

The national goal of Universal Service has evolved beyond mere connection to the public switched network (PSN). The national interests that are the impetus of the 1934 mandate of Universal Service can no longer be served by subscriptions that guarantee no more than a connection enabling the completion of telephone calls. A July 5, 1995 National Telecommunications and Information Administration paper makes the point that measures to gauge achievement of the goal of Universal Service must be broadened. In "Falling Through the Net: a Survey of the "Have

Notes" in Rural and Urban America" (hereafter Falling Through the Net), NTIA states:

There are legitimate questions about linking universal service solely to telephone service in a society where individuals' economic and social well-being increasingly depends on their ability to access, accumulate, and assimilate information. While a standard telephone line can be an individual's pathway to the riches of the Information Age, a personal computer and modem are rapidly becoming the keys to the vault. The robust growth recently experienced in Internet usage illustrates this promise as new and individual subscribers gravitate to on-line services. This suggests a need to go beyond the traditional focus on telephone penetration as the barometer of this nation's progress toward universal service.

Telephone companies are no longer expected to provide telephone service only. Individual customers, the institutions that provide vital educational, medical and safety and security services as well as policy makers demand access to the advanced services that have become possible through technological development. Both houses of the Congress also recognize and have individually passed bills that include "advanced telecommunications services" in the concept of Universal Service.<sup>1</sup>

As our society becomes increasingly dependent on advanced services for commerce, education, medicine, and participation in civic life, the well being of the Nation can only be assured if all areas of the country and its diverse populations have access to advanced telecommunications. The Commission is concerned

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<sup>1</sup> See, S. 652, 104th Cong., 1st Sess., § 253, 141 CONG. REC. S8480 (1995), and H. 1555, 104th Cong., 1st Sess., § 247, 141 CONG. REC., H8429-30 (1995).

about the low level of subscribership among Native Americans, African Americans, and Hispanics. However, as NTIA recognizes, more than subscribership is important to Native communities and populations with low subscribership levels. In fact, Advanced telecommunications are viewed as necessary for Native communities because they are capable of making significant contributions in the areas of education, health care, economic development, environmental protection and governance.<sup>2</sup>

NTCA urges the Commission to broaden its scope in this proceeding. It should consider measures that accomplish more than increasing subscribership. The Commission should explicitly state that access to advanced telecommunications is integral to the national goal of Universal Service. One of the ways in which the Commission can foster universal access to advanced telecommunications is by combining this proceeding with its Notice of Proposed Rulemaking to establish rules for high cost support, In the Matter of Amendment of the Commission's Rules and Establishment of a Joint Board, CC Docket No. 80-286. That proceeding will consider changes to the high cost support mechanisms. These mechanisms have made it possible for the Nation to achieve existing subscribership levels. The subscribership issues in this proceeding are thus intimately related to the issues surrounding high cost support. The issues

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<sup>2</sup> U.S. Congress, Office of Technology Assessment, Telecommunications Technology and Native Americans: Opportunities and Challenges, OTA-ITC-621 at 139 (Washington, DC, U.S. Government Printing Office, August 1995), hereafter OTA Study.

should not be separated. In addition and in connection with its refinement of Universal Service support mechanisms, the Commission should begin to define and identify measures to track the populations's access to advanced telecommunications.

II. THE COMMISSION CAN INCREASE SUBSCRIBERSHIP AMONG INDIVIDUALS IN UNSERVED AREAS BY MAKING REGULATORY CHANGES NOW.

The Commission has the present ability and authority to make regulatory changes that will readily facilitate the delivery of service to the Nation's unserved areas. It can do this by changing its "study area" waiver policy and allocating additional frequencies for BETRS.

- A. The Commission should adopt a policy stating that study area waivers are not needed for service to previously unserved areas.

NTCA believes study area waivers should not be required when companies merely extend service to previously unserved areas. Study areas were frozen in 1984 for interstate rate making purposes to prevent LECs from subdividing properties solely to game the interstate rate making process.<sup>3</sup> The "study area" waiver process recognizes that companies buy, sell and rearrange properties for legitimate reasons that have nothing to do with "gaming the system." In those cases, there is no regulatory purpose in keeping study areas frozen. However, in cases involving extensions of service there is not even a theoretical

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<sup>3</sup> MTS and WATS Market Structure, Amendment of Part 67 of the Commission's Rules and Establishment of a Joint Board, CC Docket Nos. 78-72 and 80-286, 49 Fed. Reg. 48325 (December 12, 1984), adopted by the Commission, 50 Fed. Reg. 939 (January 8, 1985).

opportunity to "game" the system; only the extension of service to citizens who have previously not benefitted from "Universal Service." No waiver of the definition is therefore called for.

Two recent cases involving requests to extend service to unserved areas illustrate the point. Neither case involved the rearrangement of properties brought about through sales or acquisitions or any possibility of gaming the system in the manner contemplated by the decisions that led to freezing of the study areas.<sup>4</sup> In these cases, small LEC should not have been required to bear the additional expense of the filing fee, legal services, or management time in seeking study area waivers. Application of the waiver procedures is also inconsistent with the Universal Service goals that are the basis of the high cost support mechanisms. Small company efforts to bring service to previously unserved areas are hampered rather than encouraged by costly procedures and regulatory hurdles that impede the quick delivery of service. The Commission should promptly clarify that its waiver procedures do not apply to extensions of service to previously unserved areas.

- B. The Commission should act on the pending petition requesting a rulemaking to consider the allocation of additional frequencies for the Basic Exchange Telecommunications Radio Service ("BETRS").

BETRS has the unique potential of reaching subscribers in

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<sup>4</sup> See, Petition for Waiver of the Definition of "Study Area" in the Appendix-Glossary to Part 36 of the Commission's Rules of Alaska Telephone Company, AAD 95-1, of Copper Valley Telephone Cooperative, Inc., (AAD 95-71), and of Border to Border Communications, Inc., (AAD- 94-61).

areas that are too difficult to reach by wire. When BETRS was established in 1988 it was seen as a "major step by the Commission in the pursuit of [its] goal of extending basic telephone service to as many Americans as possible...."<sup>5</sup> NTCA believes the Commission was correct in its assessment of the potential for increasing subscribership through BETRS. The service is particularly important in remote rural areas where climate and terrain make wireline service prohibitively expensive.

On November 9, 1992, in RM-8159, In the Matter of Petition to Authorize Co-primary Sharing of the 450 MHz Air-Ground Radiotelephone Service with BETRS, NTCA and others asked the Commission to begin a rulemaking to authorize BETRS on a co-primary status with the Air-Ground Radiotelephone service in the 450 MHz band. The record in that proceeding indicates that there is a strong and unabated demand for the BETRS service. There is also an urgent need for additional spectrum for the service. Despite overwhelming support for the petition, the Commission has not initiated a rulemaking. NTCA urges the Commission to initiate a rulemaking and permit provision of BETRS on additional spectrum. This would be a positive step with the potential to increase subscribership in the Nation and reach unserved areas.

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<sup>5</sup> Report and Order, CC Docket No. 86-495, 3 FCC Rcd 214, 219 (1988).

III. THE COMMISSION SHOULD LOOK TO STATE EXPERIMENTS BEFORE PROMULGATING INFLEXIBLE CALL CONTROL RULES AIMED AT INCREASING SUBSCRIBERSHIP.

- A. The Commission should weigh several factors before mandating a no disconnection for nonpayment rule.

The Commission is considering a rule prohibiting disconnection of local service for nonpayment of interstate long-distance charges. NPRM ¶ 31. It believes this rule will increase subscribership nationwide. Even if the Commission is correct that it has the authority to promulgate this measure, it should proceed cautiously before enacting an absolute prohibition. It is not at all clear that existing state laws and regulations governing disconnection for non payment have contributed to reduced subscribership. Nor is it clear that LEC disconnection for nonpayment of interstate of interstate toll charges account for the lower subscribership levels found in certain states and among various income groups and populations.

The small LECs who make up NTCA's membership and often bill and collect for interstate and intrastate long-distance services provided for others are local companies that have a tradition of service in their communities. Part of that tradition is a commitment to working with subscribers experiencing difficulties with any portion of their telephone bill. This practice and tradition provides a mediation vehicle that allows subscribers with legitimate payment problems to work out deferment payment schedules or learn about other options to keep their charges under control. Golden West Telecommunications Cooperative, Inc. in Wall, SD, for example, introduced a local only telephone

service program (LOTs) after it acquired exchanges from GTE in 1993. It introduced the service to make it possible for delinquent accounts to reestablish phone service. More than 200 accounts have enrolled in the LOTs program and are making monthly payments on their outstanding obligation over a one year installment plan repayment period.<sup>6</sup> Leaving LECs like Golden West and others free to work with troubled consumers is in the best interest of the subscriber and the LEC with whom it has a long term business relationship.

Flexibility in addressing nonpayment issues also ensures that the public is not harmed by delinquencies that impose the costs of uncollectibles on ratepayers who have not caused the costs. The Commission should not enact a rule without considering what costs related to uncollectibles will be borne by intrastate and interstate long-distance ratepayers. In addition, it should consider the additional costs that LECs will incur to change their billing and collection systems, procedures, and contracts and weigh these costs against any potential benefits to the public before enacting a rule.

- B. LECs are already accommodating subscriber needs for interstate blocking.

The Commission should also proceed cautiously before requiring that LECs provide blocking. A hard and fast federal rule prohibiting disconnection is not necessary and may have unwanted effects and defeat the overall goal of Universal

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<sup>6</sup> Golden West response to NTCA Subscribership Survey.

Service. To accomplish that goal, the Commission's first objective should be to adopt policies and rules that ensure affordable rates for local rates, intrastate and interstate toll service. Subscribers with local only service may lose the full benefits of access to the multiple services available in the information age. Their connectivity is limited to emergency services and access to their local calling area, unless they are able to obtain debit cards or use other prepaid toll services.

Despite its concern that Universal Service could be undermined by a federal rule, NTCA recognizes that there are circumstances in which customers can only afford to have local only service which enables the subscriber to call within the local calling area and reach emergency services such as 911. There are also circumstances under which the LEC may find that its customers' prefer local only service or have needs for a service that blocks interstate or intrastate long-distance service. Some LECS already provide blocking services to accommodate customers who want the service because of their unique circumstances. They do not need a federal rule to address this issue. For example, 13 out of 17 NTCA members responding to a survey that was sent to 42 companies provide interstate and in some cases intrastate toll call blocking.<sup>7</sup>

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<sup>7</sup> E.G., Cameron Telephone Company, Sulphur, LA; Contoocook Valley, Co., Contoocook, NH; Copper Valley Telephone Coop., Inc., Valdez, AK; C.R.S.T. Telephone Authority, Eagle Butte, S.D; Emery Telephone, Orangeville, Utah; Golden West Telecommunications Cooperative, Inc., Wall, S.D; Mid-Rivers Telephone Cooperative, Inc., Circle, MT; Pioneer Telephone  
(continued...)

- C. Reasonable and accommodating deposit and connection charges promote subscribership.

The Commission proposes to require LECs to adjust deposit requirements for low-income subscribers that agree to accept voluntary toll restriction service. It believes existing deposit practices present a formidable obstacle to first time low-income subscribers and others initiating service after previous disconnection for nonpayment. The Commission asks for comments on this proposal. It also requests comments on ways to improve the Link Up assistance programs.

NTCA believes deposit requirements are best left to the states. Nonetheless, NTCA wishes to call the Commission's attention to the benefits inherent in reasonable connection charges and the role of Universal Service support mechanisms in keeping connection charges reasonable, thereby promoting subscribership in rural areas. Universal support mechanisms make it possible for small telephone companies to charge reasonable connection charges and connect previously unserved customers. This is illustrated by the story of an isolated Montana family that did not have a telephone until this year because aid to construction charges would have been \$20,000. After Mid-Rivers Telephone Cooperative bought the exchange where the family lives,

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<sup>7</sup>(...continued)

Cooperative, Inc., Kingfisher, OK; Panhandle Telephone Cooperative, Guymon, OK; Tohono O'Odham Utility Authority, Sells, AZ; Triangle Telephone Cooperative/Central Montana Communications, Havre, Montana; Wiggins Telephone Association, Wiggins, CO and Winnebago Cooperative Telephone Association, Lake Mills, IA.

it was able to begin service. The family paid the standard installation fee and "life without telephone service ended."<sup>8</sup> Similarly, subscribership at the Gila River Telecommunications, Inc. which serves the Gila River Indian community (Gila) increased from about 850 to 2,100 lines in five years after Gila purchased exchanges from US West and abandoned the prior practice of charging aid to construction fees before providing service on the reservation.<sup>9</sup>

D. The Link Up program should be improved.

The Link Up program is but one Universal Service mechanism intended to ensure a nationwide telecommunications system. Link Up reduces connection charges by \$25 on average. All but two states have a program. Its widespread adoption by the states attests to its success and the fact that it is necessary even if installation charges are reasonable and charges in aid of construction do not apply.

Unlike Lifeline Assistance, Link Up requires no state contribution although certification by the state is required. NTCA agrees with the proposal to provide greater Link Up assistance to subscribers taking local only service. Providing greater assistance to subscribers that opt for minimal service and also meet low income guidelines is consistent with the

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<sup>8</sup> See attachment, from Mid-Rivers Magazine, March/April 1995, "First-time phone service for Melstone Family," copied with permission.

<sup>9</sup> See, Comments of NTCA in In the Matter of BEK Communications I, Inc., et al., Joint Petition for Study Area Waiver, AAD 95-72 at 4, filed August 10, 1995.

Universal Service goal of making service available to all the people. The Commission should not, however, reduce the present \$30 maximum assistance to other subscribers to make up for increased assistance to local only service subscribers.

IV. THE COMMISSION SHOULD REEXAMINE LIFELINE ASSISTANCE PROGRAMS TO ENSURE THAT THEY MEET SUBSCRIBERSHIP OBJECTIVES.

Thirty eight states participate in the Lifeline program. States set income eligibility guidelines for the program. The federal portion of the benefit is equivalent to a waiver of the \$3.50 Subscriber Line Charge ("SLC") or any portion of SLC matched by the State.

NTCA believes the program can be improved by making the full \$3.50 SLC waiver available to eligible subscribers irregardless of the state level of matching. This change will improve the program by making it available to eligible subscribers throughout the Nation. The change is needed in view of anticipated federal cuts in benefits to low income households and state revenue shortfalls that will occur from reductions in other federal programs that assist low income individuals. NTCA recognizes that states have the experience with establishing eligibility for assistance of various types. However, the Commission has an interest in ensuring that the lifeline assistance benefit promotes subscribership with populations that would otherwise not have a phone. It should therefore formulate guidelines to evaluate state eligibility standards. These should ensure that this federal benefit goes to subscribers with the greatest need and be based on factors that take account of other

basic human needs such as shelter and food. The Commission's subscribership data shows a positive correlation between income and subscribership. Subscribership levels are lowest at the lowest income levels.<sup>10</sup> The Commission should use this data to adopt standards that channel lifeline assistance benefits to the neediest households. The present rules only require that states certify that their plans include provisions that "the customer must meet state-determined income criteria."<sup>11</sup>

Ease of administration is important but arbitrary guidelines that are chosen merely because they are easy to administer should be discouraged. For example, an eligibility guideline that requires that the subscriber's sole income is social security is easy to administer because the fact that a subscriber receives social security is easy to prove, but use of that criteria alone is unlikely to reach the neediest population. The subscriber's income from social security alone, particularly, if it is the maximum yearly benefit can easily exceed the yearly income of a household headed by the working poor. The current maximum monthly social security benefit for an individual who has reached the age of 65 is \$1,199 (\$14,388 per year)<sup>12</sup> but minimum wage

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<sup>10</sup> Industry Analysis Division, Common Carrier Bureau, Federal Communications Commission, "Telephone Subscribership in the United States, August 1995." See Table 4, Percentage of Households with a Telephone by Income.

<sup>11</sup> In the Matter of MTS and WATS Market Structure, CC Docket No. 78-72, 2 FCC Rcd 2324, 2332 (1987).

<sup>12</sup> WILLIAM MERCER, INC., 1995 Q&A ON SOCIAL SECURITY AND MEDICARE, (1995).

rates at \$5.25 per hour yield a monthly income of \$810 and a yearly one of \$9,720 for the subscriber working 40 hours a week. The Commission's data shows an average penetration level of 73.9% for the working poor income group but an 83.8% average for the income group in which the social security recipient receiving maximum benefits would fall.<sup>13</sup> This example illustrates why guidelines are needed. It is obvious that State eligibility criteria that may be easy to administer can fail to assist the neediest in the population and consequently also fail to achieve the federal objective effectively.

V. SMALL COMPANIES ARE ADDRESSING THE NEEDS OF HIGHLY MOBILE LOW INCOME POPULATIONS.

Highly mobile low income populations often are the homeless or others looking for work. Access to a telephone is critical to the job seeker who in these circumstances does not have a "phone" in the traditional sense because he or she does not have a home or an address. Nemont Telephone Cooperative, Inc. and its affiliate Valley Telecommunications, Inc., NTCA members are small companies that are planning to address the needs of a segment of its highly mobile population by providing phone mail for the homeless in its service area. The companies serve the Fort Peck Reservation. They plan to establish the phone mail boxes to solve the problem of subscribers who live in homes without phones but need telephones to communicate with prospective

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<sup>13</sup> March 1995 Subscribership Data.

employers off the Reservation.<sup>14</sup> Other small companies have addressed the needs of transient customers, including migrant agricultural workers by providing prepaid debit cards that allow easy access to local and interstate long-distance service.<sup>15</sup>

## VI. CONCLUSION

In light of the above, NTCA urges the Commission to address subscribership issues in a comprehensive manner in connection with the CC Docket 80-286 in which it is considering permanent changes to the Universal Service support mechanisms. NTCA also urges the Commission to take two steps that will advance subscribership: (a) immediately clarify that "study area" waivers are not needed for extension of service to previously unserved areas and (b) initiate a rulemaking to consider allocating more spectrum for BETRS. The Commission should improve the Link Up program by permitting benefits even if the State does not match the benefit. The Lifeline assistance fund can be improved by the promulgation of guidelines to ensure that benefits go to the neediest subscribers. The Commission should not adopt strict

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<sup>14</sup> Similar voice mail service are offered by 3-Rivers Telephone Cooperative of Fairfield, Montana. It serves most of the Blackfoot Reservation.

<sup>15</sup> E.g., In response to NTCA survey, Gervais Telephone Company of Gervais OR and Mid-Rivers Telephone Cooperative, Inc. of Circle MT indicated that they offer debit cards to meet the needs of their highly mobile customers.

call control rules prohibiting disconnection for nonpayment or mandating blocking or deposit requirements but allow LECs to address these issues with flexibility.

Respectfully submitted,

NATIONAL TELEPHONE COOPERATIVE  
ASSOCIATION

By: David Cosson (By Act)  
David Cosson  
(202) 298-2326

By: L. Marie Guillory  
L. Marie Guillory  
(202) 298-2359

Its Attorneys

2626 Pennsylvania Avenue, N.W.  
Washington, D.C. 20037

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## Mid-Rivers to return

**\$1.2 million  
to members**

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**First-time  
phone service  
for Melstone**

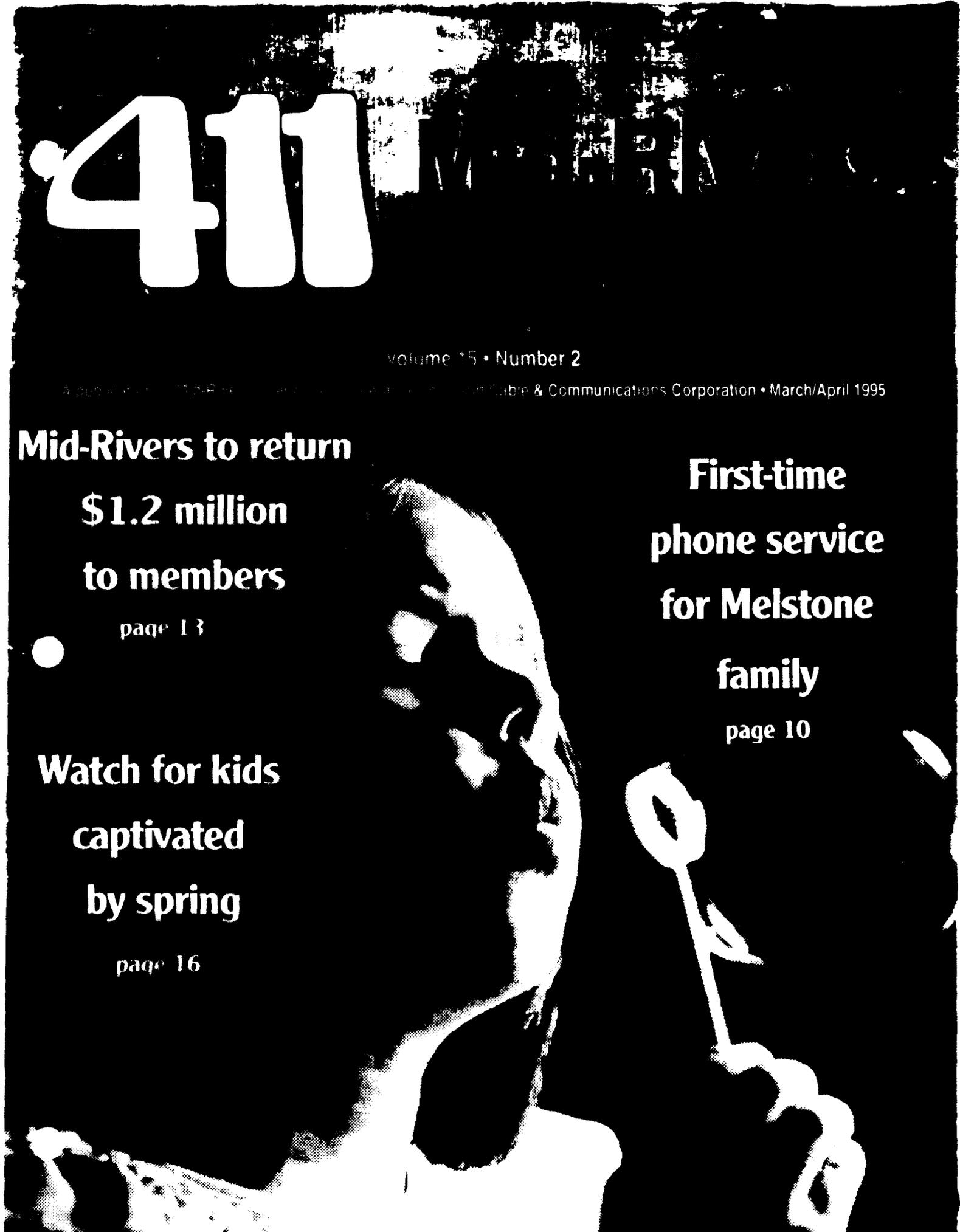
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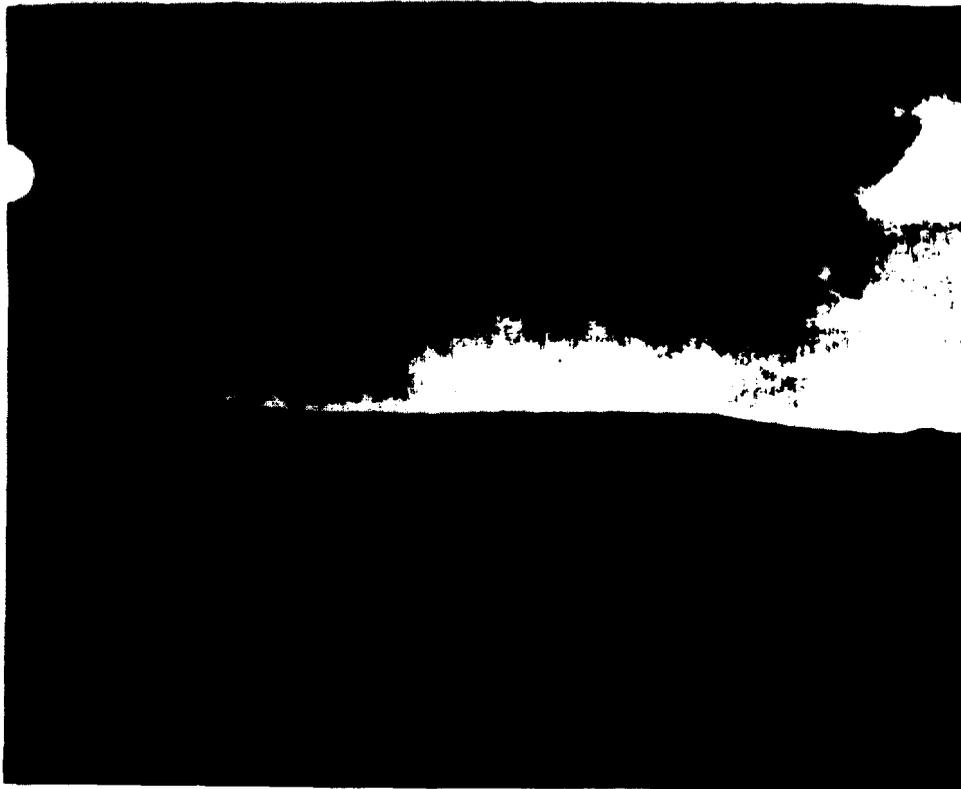
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## Watch for kids

**captivated  
by spring**

page 16





*A spring storm darkens the sky near the Mosby and McDaniel ranches.*

## *First-time phone service for Melstone family*

*Story  
and  
photographs  
by  
Jeannie Huntley*

Life without telephone service ended last year for the Mosby and McDaniel ranches. Three generations ranched 20 miles north of Melstone without a telephone for nearly 95 years.

"When I heard Mid-Rivers had bought up Melstone and was putting in a telephone to my son, I thought 'why not me, too,'" said Audrey Mosby.

Mosby, 77, lives in the house she was born in, and on the ranch her father homesteaded in 1915. "I still tend my 500 sheep

and 15 head of cattle," she said. "My son feeds the cattle, and helps me with my sheep."

Mosby's son, Allan McDaniel, lives across the Musselshell River from his mother. He received phone service for the first time last year, too.

"Before Mid-Rivers installed our phones, if I needed to get a hold of my mother, I just saddled a horse and rode across the river," he said. "If she needed to get a hold of me, she'd drive her pickup down to the river and honk."

---

*"Before Mid-Rivers installed our phones, if I needed to get a hold of my mother, I just saddled a horse and rode across the river," he said. "If she needed to get a hold of me, she'd drive her pickup down to the river and honk."*

---

Crossing the river was McDaniel's most direct route to his mother's house, since traveling the country road linking the two ranches took 45 minutes.

McDaniel's former reluctance to install a telephone stemmed from the steep price charged by U S West. At \$1.05 foot, his out-of-pocket expenses would have been nearly \$20,000.

Thanks to Mid-Rivers, McDaniel and his mother now have affordable service. Despite the co-op's significant investment to reach them, it charged the standard installation fees. Their phone service costs them each about \$20 per month.

With these reasonable rates, it's now easy for McDaniel to visit his mother across the river. He also uses his phone for ranch business, which saves him countless hours of driving time and the steep prices at pay telephones.

McDaniel's mother says Mid-Rivers telephone service makes her life easier, too. "I don't have to go places to find things out," she said. "It's been handy." However, she does have one small problem. "I still jump every time the phone rings," she chuckles.

"Mid-Rivers is used to connecting rural members, like the Mosbys and McDaniels, with new technology," said Mid-Rivers General Manager Gerry Anderson.

Six of Montana's small towns, including Melstone, were purchased last year by Mid-Rivers from U S West Communications. The six exchanges, surrounded by or adjacent to Mid-Rivers' service area, nearly doubled the co-op's subscriber base to 10,000, and brought new or upgraded telephone services to over 4,000 subscribers.

"This was a real opportunity for



*Audrey Mosby rests against a stone chicken coop built by her father in the early 1900s. Mosby still uses the coop today to house her chickens.*

us," said Anderson. "The acquisition meant Mid-Rivers could become a more efficient telephone company by spreading costs over a larger subscriber base. It also means we have the opportunity to provide modern telephone service to people in need of such service."

Besides better service, Mid-Rivers' latest subscribers gained a variety of new telephone features: Call Waiting, Caller ID, Voice Mail and the opportunity to choose

their long-distance carrier were welcome additions to communities accustomed to troublesome telephone service or none at all.

Anderson wastes no time in emphasizing better service is not the only benefit the towns enjoy. The new subscribers "gain the benefit of becoming voting members of a telephone co-op with deep roots in rural America and a long-standing commitment to excellent service."



*Audrey Mosby and her son, Allan McDaniel, stand beside a Mid-Rivers cable sign near the Musselshell River -- the same river McDaniel used to cross by horse to talk with his mother.*