

maximize the welfare benefits to society, to the extent possible, using second best pricing approaches. The commission should permit the local exchange telephone companies to earn reasonable returns on their investments. It should avoid the imposition of fiscal hardships on small companies by adding to onerous regulations. TSTCI strongly urges the commission not to penalize the rural customers or small telephone companies by creating requirements which require large amounts of resources, and could be burdensome on the rural consumers and smaller telephone companies. Most important, the Commission should continue to provide the support mechanisms for rural companies necessary to meet the legislative mandate of maintaining universal service.

Respectfully submitted,



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TEXAS STATEWIDE TELEPHONE COOPERATIVE, INC.

**Big Bend Telephone Company
Brazoria Telephone Company
Brazos Telecommunications, Inc.
Brazos Telephone Cooperative, Inc.
Cameron Telephone Company
Cap Rock Telephone Cooperative, Inc.
Central Texas Telephone Cooperative, Inc.
Coleman County Telephone Cooperative, Inc.
Colorado Valley Telephone Cooperative, Inc.
Comanche County Telephone Company, Inc.
Community Telephone Company, Inc.
Cumby Telephone Cooperative, Inc.
Dell Telephone Cooperative, Inc.
E.N.M.R. Telephone Cooperative, Inc.
Eastex Telephone Cooperative, Inc.
Electra Telephone Company
Etex Telephone Cooperative, Inc.
Five Area Telephone Cooperative, Inc.
Ganado Telephone Company, Inc.
Guadalupe Valley Telephone Cooperative, Inc.
Hill Country Telephone Cooperative, Inc.
La Ward Telephone Exchange, Inc.
Lake Livingston Telephone Company
Lipan Telephone Company
Livingston Telephone Company
Mid-Plains Rural Telephone Cooperative, Inc.
Muenster Telephone Corp. of Texas
North Texas Telephone Company
Panhandle Telephone Cooperative, Inc.
Peoples Telephone Cooperative, Inc.
Riviera Telephone Company, Inc.
Santa Rosa Telephone Cooperative, Inc.
South Plains Telephone Cooperative, Inc.
Southwest Arkansas Telephone Cooperative, Inc.
Southwest Texas Telephone Company
Tatum Telephone Company
Taylor Telephone Cooperative, Inc.
West Plains Telecommunications, Inc.
Wes-Tex Telephone Cooperative, Inc.
West Texas Rural Telephone Cooperative, Inc.
XIT Rural Telephone Cooperative, Inc.**