

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

In the Matter of	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
A National Broadband Plan for Our Future	)	GN Docket No. 09-51
	)	
Establishing Just and Reasonable Rates for Local Exchange Carriers	)	WC Docket No. 07-135
	)	
High-Cost Universal Service Support	)	WC Docket No. 05-337
	)	
Developing an Unified Intercarrier Compensation Regime	)	CC Docket No. 01-92
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
Lifeline and Link-Up	)	WC Docket No. 03-109
	)	
Universal Service Reform – Mobility Fund	)	WT Docket No. 10-208

**EMERGENCY REQUEST FOR EXPEDITED TREATMENT**

**PETITION OF BLEDSOE TELEPHONE COOPERATIVE CORPORATION, INC.,  
CROCKETT TELEPHONE COMPANY, INC., HIGHLAND TELEPHONE  
COOPERATIVE, INC., LORETTO TELEPHONE COMPANY, NORTH CENTRAL  
TELEPHONE COOPERATIVE, INC., PEOPLES TELEPHONE COMPANY, INC., AND  
WEST TENNESSEE TELEPHONE COMPANY, INC.  
FOR LIMITED WAIVER OF 47 C.F.R. § 51.917(b)(7)(ii)**

Pursuant to Section 1.3 of the rules of the Federal Communications Commission (“FCC” or “Commission”),<sup>1</sup> Bledsoe Telephone Cooperative Corporation, Inc. (“Bledsoe”), Highland Telephone Cooperative, Inc. (“Highland”), Loretto Telephone Company, Inc. (“Loretto”), North

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<sup>1</sup> 47 C.F.R. § 1.3.

Central Telephone Cooperative, Inc. (“North Central”), and the Telephone Electronics Corporation companies of Crockett Telephone Company, Inc., Peoples Telephone Company, and West Tennessee Telephone Company, Inc. (collectively referred to as “TEC Companies”) (jointly referred to herein as “TN ILEC Petitioners”) hereby request a limited waiver of 47 C.F.R. Section 51.917(b)(7)(ii).<sup>2</sup> As explained herein, the TN ILEC Petitioners seek to include amounts owed by Halo Wireless, Inc. (“Halo”) in Fiscal Year 2011 (“FY 2011”)<sup>3</sup> in the TN ILEC Petitioners’ Base Period Revenues (“BPR”). Exclusion of the amounts owed to the TN ILEC Petitioners in the BPR has an adverse impact on the TN ILEC Petitioners’ recovery mechanism funding, which in turn has challenged the TN ILEC Petitioners by limiting their ability to invest in and improve their networks. The TN ILEC Petitioners seek to include these amounts, which were billed to Halo but not collected by March 31, 2012 due to Halo’s bankruptcy, in the BPR effective July 1, 2012. As demonstrated herein, the Commission has good cause to grant the TN ILEC Petitioners’ request, and furthermore grant of this waiver is squarely in the public interest and is the appropriate course of action to meet the objectives of the November 2011 *USF/ICC Transformation Order*.<sup>4</sup> Likewise, the TN ILEC Petitioners’ requested relief herein is similar to the relief that the FCC recently granted, with conditions, for another similarly situated group of providers.<sup>5</sup> The TN ILEC Petitioners respectfully request emergency expedited attention to this matter.

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<sup>2</sup> 47 C.F.R. § 51.917(b)(7)(ii).

<sup>3</sup> Defined as October 1, 2010 to September 30, 2011.

<sup>4</sup> See *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform—Mobility Fund*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-61 (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*); pets. for review denied, Direct Comm. Cedar Valley, et al v. FCC, No. 11-9900, [www.ca10.uscourts.gov/opinions/11/11-9900.pdf](http://www.ca10.uscourts.gov/opinions/11/11-9900.pdf) (10th Cir. May 23, 2014).

<sup>5</sup> See *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, FCC 14-121 (rel. Aug. 7, 2014) (“*TDS Waiver Order*”).

## **I. BACKGROUND**

The TN ILEC Petitioners are rural incumbent local exchange carriers (“RLEC”) operating within rural areas of Tennessee. While the TN ILEC Petitioners vary somewhat in size, they all provide high quality voice and broadband telecommunications services to their customers and are providers of last resort throughout their designated study areas in Tennessee. Collectively, the TN ILEC Petitioners have been deprived of \$350,105.25 that would have been included in their annual BPR but for Halo’s access avoidance efforts and subsequent bankruptcy.

**Bledsoe Telephone Cooperative Corporation, Inc.** is headquartered in Pikeville, Tennessee and has been providing local exchange services since 1953. Bledsoe’s service area includes approximately 800 square miles in Bledsoe, Sequatchie, Van Buren, Hamilton, and Cumberland counties along Tennessee’s Cumberland Plateau providing approximately 8,000 residential access lines, and 2,000 business access lines. Over 6,000 of these access lines subscribe to broadband and over 2,500 subscribe to IPTV.

Bledsoe requests a BPR adjustment of \$48,151.39 associated with billed, but not collected, terminating intrastate access revenues for services provided to Halo Wireless during FY 2011.

**Highland Telephone Cooperative, Inc.** was founded in 1955 to provided telephone services in rural Morgan and Scott Counties, Tennessee. In 1959, the company began service in McCreary County, Kentucky, an area adjacent to its Tennessee operations. Additionally, Highland serves a few customers in rural Anderson and Campbell Counties, Tennessee. The company services 12 access lines per square mile and 5.3 broadband lines per square mile in its 1,456 square mile rural service area. Highland financed its plant build out with the help of USDA Rural Utility Service loans.

Highland requests a BPR adjustment of \$112,071.22 associated with billed, but not collected, terminating intrastate access revenues for services provided to Halo Wireless during FY 2011.

**Loretto Telephone Company**, located in Loretto, Tennessee, was founded in 1946. Today Loretto serves around 4,100 customers with telephone service and about 2,300 with broadband Internet service. The geographic area served by Loretto encompasses about 400 square miles in Lawrence County Tennessee and takes in Ethridge at the north end, then skirts around Lawrenceburg to Leoma, Loretto, Iron City, and St. Joseph to the south end of Lawrence County. The terrain service by Loretto is about 75% medium rocky and 25% very rocky.

Loretto requests a BPR adjustment of \$28,548.00 associated with billed, but not collected, terminating intrastate access revenues for services provided to Halo Wireless during FY 2011.

**North Central Telephone Cooperative, Inc.**, a cooperative, located in north central Tennessee and south central Kentucky was founded in 1951. North Central's service territory includes ten exchanges with about 17,500 access lines. The service area is approximately 929 square miles which reaches from the Appalachian Plateau in the east across portions of the Cumberland Plateau and Highland Rim to the Nashville basin in the south and west. A significant portion is rocky terrain and heavily wooded with substantial elevation changes presenting unique challenges to deploying and maintaining a communications network. The service area has approximately 21 households per square mile. Much of the served area is well below the average with 60% of the routes having a customer density of less than 4 access lines per route mile.

North Central requests a BPR adjustment of \$87,752.49 associated with billed, but not collected, terminating intrastate access revenues for services provided to Halo Wireless during FY 2011.

**The TEC Companies**, consisting of Crockett, Peoples, and West Tennessee, have been serving rural communities in central and west Tennessee with high-quality voice and broadband services since the early 1900s. Much of the area is rural Tennessee farmland, where there are few customers per square mile.

The TEC Companies request a total BPR adjustment of \$73,582.13 associated with billed, but not collected, terminating intrastate access revenues for services provided to Halo Wireless during FY 2011.

The TN ILEC Petitioners all serve high-cost, rural, remote, and challenging areas of Tennessee consisting of low-income areas and very low density of access lines per square mile. The TN ILEC Petitioners strive to deliver modern and reliable communications services to customers that would likely have no (or very few) alternative providers. The TN ILEC Petitioners rely on predictable and sufficient Universal Service Fund (“USF”) support and intercarrier compensation (“ICC”) mechanisms to deliver quality voice and data transmission services at reasonable costs to consumers. Given the TN ILEC Petitioners remote and challenging service areas, predictable and sufficient support is imperative to their ability to continue providing quality services at reasonable costs—the series of events described herein undermines and frustrates their mission.

The events described below have produced a recurring penalty for the TN ILEC Petitioners, as they will never receive the amounts owed by Halo *and* the negative annual impact on the TN ILEC Petitioners’ recovery mechanism funding puts them in a precarious position where seeking relief from the Commission is the only viable option left at this point. The TN ILEC Petitioners were victims of Halo’s access arbitrage scheme, the impact of which is further amplified by their inability to include the amounts billed to Halo in their BPR, leaving them deprived of both the

intrastate revenue that they should have collected from Halo and fairly assessed recovery mechanism funding going forward. The TN ILEC Petitioners are utilizing the Commission's waiver process to seek fairly assessed recovery mechanism funding so that the damage caused by Halo's unpaid intrastate intercarrier compensation charges does not reoccur every year, consistent with a recent decision by the Commission related to similarly situated providers.<sup>6</sup>

The TN ILEC Petitioners initially began terminating Halo's traffic in late 2010 or early 2011, and then began billing Halo for terminating intrastate access traffic pursuant to the rates, terms and conditions set forth in the applicable intrastate access tariffs.<sup>7</sup> Halo subsequently refused to pay all such terminating intrastate access charges to every TN ILEC Petitioner. Halo erroneously argued that because it was a CMRS provider, all of its traffic delivered to the TN ILEC Petitioners was intraMTA CMRS and that no compensation was due for transport and termination of its traffic, which resulted in numerous disputes with ILECs that have been documented extensively in FCC and various state commission proceedings. In the *USF/ICC Transformation Order*, the FCC rejected Halo's claim that its traffic was intraMTA CMRS, stating "[w]e clarify that a call is considered to be originated by a CMRS provider for purposes of the intraMTA rule only if the calling party initiating the call has done so through a CMRS provider;" and "we agree with NECA that the 're-origination' of a call over a wireless link in the middle of the call path does not convert a wireline-originated call into a CMRS-originated call for the purposes of reciprocal compensation and we disagree with Halo's contrary position."<sup>8</sup>

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<sup>6</sup> See *TDS Waiver Order*.

<sup>7</sup> As further addressed below, Petitioners requested BPR adjustments are limited to billed, but not collected, revenues for FY 2011.

<sup>8</sup> See *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) ("*USF/ICC Transformation Order*"), *pets. for review denied*, *Direct Comm. Cedar Valley, et al v. FCC 11-161*, No. 11-9900 [www.ca10.uscourts.gov/opinions/11/11-9900.pdf](http://www.ca10.uscourts.gov/opinions/11/11-9900.pdf) (10th Cir. filed May 23, 2014).

To further aggravate the difficulties in collecting billed intercarrier compensation fees from Halo, it appears that Halo's estate lacks assets to pay the amounts owed to the TN ILEC Petitioners that were harmed. While the TN ILEC Petitioners have filed both pre-petition and post-petition administrative claims in bankruptcy court,<sup>9</sup> they cannot simply get in line and wait for a reasonable settlement because the Commission required that all revenues included in calculating Base Period Revenue had to be collected before March 31, 2012. Accordingly, the negative revenue impact associated with Halo's unpaid debt has ultimately created an unfair annual revenue hit for each of the TN ILEC Petitioners. The TN ILEC Petitioners have no alternative recourse but to seek waivers from the Commission, and as explained below, the Commission has good cause to grant these waivers. Additionally, consistent with the Commission's decision in the *TDS Waiver Order*, the TN ILEC Petitioners meet the requisite conditions in order to make the necessary BRP adjustments, as further outlined below.

## **II. GOOD CAUSE EXISTS TO GRANT TN ILEC PETITIONERS' REQUESTED WAIVER**

In general, the FCC's rules may be waived for good cause shown.<sup>10</sup> Waiver is appropriate where the "particular facts would make strict compliance inconsistent with the public interest."<sup>11</sup> The FCC may grant a waiver of its rules where the requested relief would not undermine the policy

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<sup>9</sup> See generally Claims Register, *In re: Halo Wireless, Inc.*, Case No. 11-42464, Bkrtcy. E.D. Tex. (converted July 19, 2012) (including pre-petition claims and administrative expense (post-petition) claims filed by Petitioners).

<sup>10</sup> 47 C.F.R. § 1.3.

<sup>11</sup> See *AT&T Wireless Services, Inc. et al. v. Federal Communications Commission*, No. 00-1304 (D.C. Cir. 2001), citing *Northeast Cellular Tel. Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) ("*Northeast Cellular*").

objective of the rule in question, special circumstances warrant a deviation from the general rule, and such deviation will serve the public interest.<sup>12</sup>

The Commission anticipated that there would be circumstances similar to this where revenues associated with FY 2011 were not able to be collected by March 31, 2012 and allowed for a waiver of the March 31, 2012 deadline in its USF-ICC Transformation Order.<sup>13</sup> Specifically, the Commission stated:

Carriers may, however, request a waiver of our rules defining the Baseline to account for revenues billed for terminating switched access service or reciprocal compensation provided in FY2011 but recovered after the March 31, 2012 cut-off as the result of the decision of a court or regulatory agency of competent jurisdiction. The adjusted Baseline will not include settlements regarding changes after the March 31, 2012 cut-off, and any carrier requesting such modifications to its Baseline shall, in addition to otherwise satisfying the waiver criteria, have the burden of demonstrating that the revenues are not already in its Baseline, including providing a certification to the Commission to that effect. Any request for a waiver should also include a copy of the decision requiring payment of the disputed intercarrier compensation. Any such waiver would be subject to the Commission's traditional "good cause" waiver standard, rather than the Total Cost Earnings Review specified below.

The overall purpose of this waiver petition is consistent as it would allow the TN ILEC Petitioners to include revenues associated with FY 2011 that were billed but not collected due to Halo's deliberate access avoidance scheme (including Halo's bankruptcy) which were beyond the TN ILEC Petitioners' control, as outlined above.

The TN ILEC Petitioners' argument for good cause is furthermore supported by other similar pending and decided waiver petitions by other ILECs that claim to be facing undue hardship as a result of Halo's deliberate attempts to avoid complying with the applicable rules for intercarrier compensation as well as the Commission's recent decision in the *TDS Waiver Order*.

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<sup>12</sup> See generally, *WAIT Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969), *cert. denied*, 409 U.S. 1027 (1972); see also *Northeast Cellular* (D.C. Cir. 1990).

<sup>13</sup> See *USF/ICC Transformation Order* at footnote 1745.

As explained in that Order, TDS Telecommunications Corp. (“TDS Telecom”) filed a petition for a limited waiver “to permit TDS Telecom to include within its BPR unpaid amounts billed to Halo for intrastate usage during FY 2011, thereby rendering those amounts eligible for recovery pursuant to the Commission’s eligible recovery mechanism.”<sup>14</sup> Like each of the TN ILEC Petitioners, TDS Telecom did not expect to collect the amounts it billed to Halo as a result of Halo’s bankruptcy and subsequent liquidation of assets. TDS asserted that “fundamental fairness and the public interest dictate that the Commission waive its rules in this specific scenario,” and the FCC “could not have predicted every permutation through which a carrier such as Halo would develop an elaborate scheme to avoid paying access charges in a way that would have such potential long-term revenue ramifications...due to the nature of the eligible recovery mechanism.”<sup>15</sup> The TN ILEC Petitioners echo these statements and emphasize that the loss created by Halo’s refusal to pay applicable intercarrier compensation charges unfortunately occurred at a time when the FCC was making monumental changes to the USF and ICC mechanisms and therefore constitute good cause in favor of granting the TN ILEC Petitioners’ requested relief.

In conditionally granting TDS Telecom’s petition, the Commission found that “[a]bsent such waivers, the unique combination of Halo’s alleged ‘re-origination’ of intrastate access traffic as CMRS-originated traffic, Halo’s refusal to pay access charges for that traffic, and Halo’s subsequent bankruptcy and corporate liquidation would result in significant reductions to the TN ILEC Petitioners ICC recovery mechanism revenues. Further, this impact on recovery amounts

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<sup>14</sup> See Petition of TDS Telecommunications Corp. for Limited Waiver of 47 C.F.R. § 51.917(c), WC Docket No. 10-90 *et al.* (filed Aug. 10, 2012) (“*TDS Petition*”) at 2.

<sup>15</sup> *Id.* at pg. 3-4 and 12.

would continue far into the future, such that the TN ILEC Petitioners would suffer ongoing harm because of Halo's behavior, without some form of Commission action."<sup>16</sup>

The loss imposed on the TN ILEC Petitioners by the combined effects of Halo's unpaid intrastate access charges and the prospect of basing all future years' recovery mechanism funding on a lower amount than it should be based upon is indeed real. Grant of this waiver is in the public interest. The Base Period Revenue is a critical starting point to calculate Eligible Recovery and is part of the transitional recovery mechanism established by the Commission expressly to mitigate the impact of *USF/ICC Transformation Order* on carrier revenues and investments. Grant of this limited waiver would allow the initial calculation of Eligible Recovery to accurately represent the TN ILEC Petitioners' FY 2011 Base Period Revenues. Further, grant of the limited waiver would serve the public interest in that the TN ILEC Petitioners would be able to continue to provide high quality telecommunications services to their customers consistent with the FCC's National Broadband Plan, USF Reform, and IP Transition goals while having the benefit of the transitional recovery mechanism to the full extent intended by the Commission.

### **III. TDS WAIVER ORDER CONDITIONS**

In granting TDS Telecom's waiver petitions, the Commission implemented steps to ensure that providers had diligently pursued recovery of unpaid revenues from Halo by conditionally granting the requested waivers. Specifically, the Commission found that:

Prior to implementation of the relief granted in this Order, each petitioner must certify that: (1) it terminated all intrastate access traffic sent to it by Halo during FY 2011 that it seeks to add to its BPR calculations; (2) it billed Halo intrastate access charges for such traffic during FY 2011; (3) a court or regulatory agency of competent jurisdiction has made a finding of liability regarding the compensation for such traffic; (4) it filed a timely claim in the Halo bankruptcy case requesting compensation for such traffic; and (5) it did not include in its BPR adjustment

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<sup>16</sup> See *TDS Waiver Order* at 4.

amounts any interest, late payment fees, collection fees, or attorney fees. In addition, any BPR adjustment for a study area resulting from this Order shall not exceed the intrastate access portion of a Petitioner's bankruptcy claim for that study area.<sup>17</sup>

As detailed below, the TN ILEC Petitioners hereby certify that they meet each of the above five conditions. The TN ILEC Petitioners terminated all intrastate access traffic sent to it by Halo during FY 2011 that they seek to add to their BPR calculations and the TN ILEC Petitioners billed Halo intrastate access charges for such traffic during FY 2011.

Further, a court or regulatory agency of competent jurisdiction has made a finding of liability regarding the compensation for such traffic. On April 18, 2012, the Tennessee Regulatory Authority ("TRA") issued an order that found that Halo is liable for access charges on intrastate landline traffic that Halo has sent for termination.<sup>18</sup>

Additionally, the TN ILEC Petitioners filed a timely claim in the Halo bankruptcy case requesting compensation for such traffic the intrastate amounts that Halo owes for FY 2011 and the BPR adjustment for each of the TN ILEC Petitioner's study area does not exceed the intrastate access portion of the bankruptcy claim for that study area.

Finally, the TN ILEC Petitioners hereby certify that the BPR adjustments outlined below do not include revenues that are already included in their baseline, including all interstate switched access charges and do not contain any interest, late payment fees, collection fees, or attorney fees.

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<sup>17</sup> *Id.* at 5.

<sup>18</sup> *See TRA Order*, Docket No. 11-00108, issued April 18, 2012.

#### IV. REQUESTED RELIEF

For the reasons stated above, pursuant to Section 1.3 of the Commission's rule, the TN ILEC Petitioners hereby respectfully requests that the Commission include the following amounts in their Base Period Revenue.

<u>TN ILEC Petitioner:</u>	<u>Base Period Revenue Adjustment:</u>
Bledsoe Telephone Cooperative Corp.	\$48,151.39
Highland Telephone Cooperative, Inc.	\$112,071.22
Loretto Telephone Company	\$28,548.00
North Central Telephone Cooperative, Inc.	\$87,752.49
TEC - Crockett Telephone Company, Inc.	\$22,387.60
TEC - Peoples Telephone Company, Inc.	\$26,140.10
TEC - West Tennessee Telephone Company, Inc.	\$25,054.45

The TN ILEC Petitioners request that these amounts be included retroactively in the Base Period Revenue effective as of July 1, 2012. The TN ILEC Petitioners have shown good cause for the Commission to grant this limited waiver, and urge the Commission to expeditiously address the petition.

Respectfully submitted,

/s/ Nancy White

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/s/ Mark Patterson

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/s/ Louise Brown

Louise Brown  
President/CEO  
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Filed December 22, 2014

Attachments

**Bledsoe Telephone Cooperative, Inc.**

FY 2011 Month	MOUs			Composite Rates			Revenues				
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total	
Oct-10	0	0	0	0.000	0.060596	0.023415	\$0.00	\$0.00	\$0.00	\$0.00	
Nov-10	0	0	0	0.000	0.060596	0.023415	\$0.00	\$0.00	\$0.00	\$0.00	
Dec-10	0	0	0	0.000	0.060596	0.023415	\$0.00	\$0.00	\$0.00	\$0.00	
Jan-11	0	44,632	39,579	0.000	0.060596	0.023415	\$0.00	\$2,704.52	\$926.74	\$3,631.26	
Feb-11	0	93,028	82,496	0.000	0.060596	0.023415	\$0.00	\$5,637.12	\$1,931.64	\$7,568.76	
Mar-11	0	119,940	106,362	0.000	0.060596	0.023415	\$0.00	\$7,267.88	\$2,490.47	\$9,758.35	
Apr-11	0	118,993	105,523	0.000	0.060596	0.023415	\$0.00	\$7,210.50	\$2,470.82	\$9,681.32	
May-11	0	99,869	88,563	0.000	0.060596	0.023415	\$0.00	\$6,051.66	\$2,073.70	\$8,125.36	
Jun-11	0	102,360	90,772	0.000	0.060596	0.023415	\$0.00	\$6,202.61	\$2,125.43	\$8,328.04	
Jul-11	0	75,944	67,346	0.000	0.060596	0.026219	\$0.00	\$4,601.90	\$1,765.74	\$6,367.64	
Aug-11	0	65,582	58,157	0.000	0.060596	0.026219	\$0.00	\$3,974.01	\$1,524.82	\$5,498.83	
Sep-11	0	74,282	65,873	0.000	0.060596	0.026219	\$0.00	\$4,501.19	\$1,727.12	\$6,228.31	
							\$0.00	\$48,151.39	\$17,036.48	\$65,187.87	
<b>Total Eligible Recovery Amount (Intrastate Terminating)</b>											<b>\$48,151.39</b>

Note: Bledsoe's pre-petition bankruptcy claim included Jan 2011 - June 2011 usage and its post-petition bankruptcy claim included July 2011 - Sept 2011 usage.

### Highland Telephone Cooperative

FY 2011 Month	MOUs		Composite Rates			Revenues				
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	0	0	0.00	0.07861	0.023342	\$0.00	\$0.00	\$0.00	\$0.00
Nov-10	0	0	0	0.00	0.07861	0.023342	\$0.00	\$0.00	\$0.00	\$0.00
Dec-10	8,776	29,534	41,314	0.00	0.07861	0.023342	\$0.00	\$2,321.67	\$964.37	\$3,286.04
Jan-11	24,328	81,865	114,522	0.00	0.07861	0.023342	\$0.00	\$6,435.41	\$2,673.22	\$9,108.63
Feb-11	29,180	98,193	137,363	0.00	0.07861	0.023342	\$0.00	\$7,718.95	\$3,206.39	\$10,925.34
Mar-11	41,097	138,294	193,460	0.00	0.07861	0.023342	\$0.00	\$10,871.29	\$4,515.83	\$15,387.12
Apr-11	74,899	252,043	352,583	0.00	0.07861	0.023342	\$0.00	\$19,813.10	\$8,230.15	\$28,043.25
May-11	40,330	135,713	189,850	0.00	0.07861	0.023342	\$0.00	\$10,668.40	\$4,431.57	\$15,099.97
Jun-11	44,929	151,191	211,502	0.00	0.07861	0.023342	\$0.00	\$11,885.12	\$4,936.98	\$16,822.10
Jul-11	56,787	191,093	267,321	0.00	0.07861	0.023342	\$0.00	\$15,021.82	\$6,239.93	\$21,261.75
8/8/2011 (pre)	12,414	41,773	58,437	0.00	0.07861	0.023342	\$0.00	\$3,283.78	\$1,364.06	\$4,647.84
8/9/2011 (post)	36,336	122,276	171,051	0.00	0.07861	0.023342	\$0.00	\$9,612.12	\$3,992.75	\$13,604.87
Sep-11	54,585	183,686	256,957	0.00	0.07861	0.023342	\$0.00	\$14,439.56	\$5,998.01	\$20,437.57

\$0.00    \$112,071.22    \$46,553.26    \$158,624.48

Total Eligible Recovery Amount (Intrastate Terminating)

**\$112,071.22**

**Loretto Telephone Company**

FY 2011 Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	0	0	0.000	0.000	0.000	\$0.00	\$0.00	\$0.00	\$0.00
Nov-10	0	0	0	0.000	0.000	0.000	\$0.00	\$0.00	\$0.00	\$0.00
Dec-10	0	0	0	0.000	0.000	0.000	\$0.00	\$0.00	\$0.00	\$0.00
Jan-11	0	6,182	10,082	0.000	\$0.0759	\$0.0299	\$0.00	\$469.46	\$301.04	\$770.50
Feb-11	0	24,536	40,033	0.000	\$0.0758	\$0.0294	\$0.00	\$1,860.78	\$1,175.11	\$3,035.89
Mar-11	0	34,047	55,550	0.000	\$0.0759	\$0.0295	\$0.00	\$2,583.26	\$1,639.33	\$4,222.59
Apr-11	0	35,546	57,995	0.000	\$0.0759	\$0.0297	\$0.00	\$2,698.22	\$1,721.09	\$4,419.31
May-11	0	49,823	81,292	0.000	\$0.0759	\$0.0295	\$0.00	\$3,780.42	\$2,401.25	\$6,181.67
Jun-11	0	45,340	73,975	0.000	\$0.0758	\$0.0294	\$0.00	\$3,438.86	\$2,174.23	\$5,613.09
Jul-11	0	44,325	72,320	0.000	\$0.0759	\$0.0295	\$0.00	\$3,362.72	\$2,131.70	\$5,494.42
8/8/2011 (pre)	0	12,458	20,328	0.000	\$0.0759	\$0.0298	\$0.00	\$946.02	\$606.04	\$1,552.06
8/9/2011 (post)	0	37,620	61,378	0.000	\$0.0758	\$0.0292	\$0.00	\$2,851.53	\$1,790.49	\$4,642.02
Sep-11	0	86,616	141,317	0.000	\$0.0757	\$0.0287	\$0.00	\$6,556.73	\$4,056.75	\$10,613.48
							\$0.00	\$28,548.00	\$17,997.03	\$46,545.03

**Total Eligible Recovery Amount (Intrastate Terminating)**

**\$28,548.00**

**North Central Telephone Cooperative**

FY 2011 Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	0	0	0.00	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Nov-10	0	0	0	0.00	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Dec-10	0	0	0	0.00	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Jan-11	0	0	0	0.00	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Feb-11	0	0	0	0.00	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mar-11	70,183	487,094	269,568	0.00	0.04080	0.019357	\$0.00	\$19,873.44	\$5,218.03	\$25,091.47
Apr-11	45,069	312,800	173,110	0.00	0.04080	0.019357	\$0.00	\$12,762.24	\$3,350.89	\$16,113.13
May-11	44,853	311,295	172,277	0.00	0.04080	0.019357	\$0.00	\$12,700.84	\$3,334.77	\$16,035.61
Jun-11	47,179	327,438	181,211	0.00	0.04080	0.019357	\$0.00	\$13,359.47	\$3,507.70	\$16,867.17
Jul-11	31,820	220,842	122,219	0.00	0.04080	0.019357	\$0.00	\$9,010.35	\$2,365.79	\$11,376.14
8/8/2011 (pre)	15,910	110,421	61,110	0.00	0.04080	0.019357	\$0.00	\$4,505.18	\$1,182.91	\$5,688.09
8/9/2011 (post)	40,352	280,057	154,989	0.00	0.04080	0.019357	\$0.00	\$11,426.33	\$3,000.12	\$14,426.45
Sep-11	14,531	100,849	55,812	0.00	0.04080	0.019357	\$0.00	\$4,114.64	\$1,080.35	\$5,194.99
							\$0.00	\$87,752.49	\$23,040.56	\$110,793.05

**Total Eligible Recovery Amount (Intrastate Terminating)**

**\$87,752.49**

TEC Companies - Crockett Telephone Company

FY 2011 Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	0	0	0.00	0.075010	0.01920	\$0.00	\$0.00	\$0.00	\$0.00
Nov-10	0	0	0	0.00	0.075010	0.01920	\$0.00	\$0.00	\$0.00	\$0.00
Dec-10	170	5,784	2,398	0.00	0.075010	0.01920	\$0.00	\$433.86	\$46.04	\$479.90
Jan-11	527	17,997	7,460	0.00	0.075990	0.01920	\$0.00	\$1,367.59	\$143.23	\$1,510.82
Feb-11	835	28,486	11,808	0.00	0.075990	0.01920	\$0.00	\$2,164.65	\$226.71	\$2,391.36
Mar-11	1,143	38,983	16,159	0.00	0.075990	0.01920	\$0.00	\$2,962.32	\$310.25	\$3,272.57
Apr-11	1,346	45,911	19,031	0.00	0.075990	0.01920	\$0.00	\$3,488.78	\$365.40	\$3,854.18
May-11	1,324	45,173	18,725	0.00	0.075990	0.01920	\$0.00	\$3,432.70	\$359.52	\$3,792.22
Jun-11	1,383	47,190	19,562	0.00	0.075990	0.01920	\$0.00	\$3,585.97	\$375.59	\$3,961.56
Jul-11	0	0	0	0.00	0.075990	0.02231	\$0.00	\$0.00	\$0.00	\$0.00
8/8/2011 (pre)	43	1,468	609	0.00	0.075990	0.02231	\$0.00	\$111.55	\$13.59	\$125.14
8/9/2011 (post)	683	23,304	9,660	0.00	0.075990	0.02231	\$0.00	\$1,770.87	\$215.51	\$1,986.38
Sep-11	1,184	40,391	16,743	0.00	0.075990	0.02231	\$0.00	\$3,069.31	\$373.54	\$3,442.85

\$0.00 \$22,387.60 \$2,429.38 \$24,816.98

Total Eligible Recovery Amount (Intrastate Terminating)

**\$22,387.60**

TEC Companies - Peoples Telephone Company

FY 2011 Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	0	0	0.00	0.07882	0.01657	\$0.00	\$0.00	\$0.00	\$0.00
Nov-10	0	0	0	0.00	0.07882	0.01657	\$0.00	\$0.00	\$0.00	\$0.00
Dec-10	0	0	0	0.00	0.07882	0.01657	\$0.00	\$0.00	\$0.00	\$0.00
Jan-11	745	3,472	2,217	0.00	0.07980	0.01657	\$0.00	\$277.07	\$36.74	\$313.81
Feb-11	5,215	24,319	15,530	0.00	0.07980	0.01657	\$0.00	\$1,940.66	\$257.33	\$2,197.99
Mar-11	7,928	36,966	23,606	0.00	0.07980	0.01657	\$0.00	\$2,949.89	\$391.15	\$3,341.04
Apr-11	10,650	49,660	31,713	0.00	0.07980	0.01657	\$0.00	\$3,962.87	\$525.48	\$4,488.35
May-11	14,343	66,879	42,709	0.00	0.07980	0.01657	\$0.00	\$5,336.94	\$707.69	\$6,044.63
Jun-11	11,955	55,744	35,598	0.00	0.07980	0.01657	\$0.00	\$4,448.37	\$589.86	\$5,038.23
Jul-11	0	0	0	0.00	0.07980	0.01884	\$0.00	\$0.00	\$0.00	\$0.00
8/8/2011 (pre)	380	1,770	1,130	0.00	0.07980	0.01884	\$0.00	\$141.25	\$21.29	\$162.54
8/9/2011 (post)	8,390	39,122	24,984	0.00	0.07980	0.01884	\$0.00	\$3,121.94	\$470.70	\$3,592.64
Sep-11	10,645	49,638	31,699	0.00	0.07980	0.01884	\$0.00	\$3,961.11	\$597.21	\$4,558.32
							\$0.00	\$26,140.10	\$3,597.45	\$29,737.55

Total Eligible Recovery Amount (Intrastate Terminating)

**\$26,140.10**

TEC Companies - West Tennessee Telephone Company

FY 2011 Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	0	0	0.00	0.07153	0.02384	\$0.00	\$0.00	\$0.00	\$0.00
Nov-10	0	0	0	0.00	0.07153	0.02384	\$0.00	\$0.00	\$0.00	\$0.00
Dec-10	229	7,771	3,221	0.00	0.07153	0.02384	\$0.00	\$555.86	\$76.79	\$632.65
Jan-11	571	19,454	8,064	0.00	0.07251	0.02384	\$0.00	\$1,410.61	\$192.25	\$1,602.86
Feb-11	708	24,166	10,017	0.00	0.07251	0.02384	\$0.00	\$1,752.28	\$238.81	\$1,991.09
Mar-11	1,526	52,068	21,583	0.00	0.07251	0.02384	\$0.00	\$3,775.45	\$514.54	\$4,289.99
Apr-11	1,823	62,201	25,784	0.00	0.07251	0.02384	\$0.00	\$4,510.19	\$614.69	\$5,124.88
May-11	1,617	55,168	22,809	0.00	0.07251	0.02384	\$0.00	\$4,000.23	\$545.20	\$4,545.43
Jun-11	1,512	51,599	21,389	0.00	0.07251	0.02384	\$0.00	\$3,741.44	\$509.91	\$4,251.35
Jul-11	0	0	0	0.00	0.07251	0.02770	\$0.00	\$0.00	\$0.00	\$0.00
8/8/2011 (pre)	56	1,907	790	0.00	0.07251	0.02770	\$0.00	\$138.28	\$21.88	\$160.16
8/9/2011 (post)	821	28,016	11,613	0.00	0.07251	0.02770	\$0.00	\$2,031.44	\$321.68	\$2,353.12
Sep-11	1,269	43,286	17,943	0.00	0.07251	0.02770	\$0.00	\$3,138.67	\$497.02	\$3,635.69

\$0.00 \$25,054.45 \$3,532.77 \$28,587.22

Total Eligible Recovery Amount (Intrastate Terminating)

**\$25,054.45**