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May 15, 2007

David L. Sieradzki
Partner
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DLSieradzki@hhlaw.com

Marlene Dortch
Secretary
Federal Communications Commission
445 Twelfth St., SW
Washington, DC 20554

Re: *High Cost Universal Service Support*, WC Docket No. 05-337
*Federal-State Joint Board on Universal Service*, CC Docket No. 96-45
*Alenco Communications, Inc., et al., Petition for Declaratory Ruling and Preemption*, CC Docket No. 96-45

Dear Ms. Dortch:

DialToneServices, L.P. ("DTS"), represented by William Dorran, its president, and the undersigned, made separate *ex parte* presentations yesterday to Scott Deutchman, legal advisor to Commissioner Copps, and John Hunter, legal advisor to Commissioner McDowell. We made *ex parte* presentations today to Ian Dillner, legal advisor to Chairman Martin; Scott Bergmann, legal advisor to Commissioner Adelstein; and Nicholas Alexander, legal advisor to Commissioner Tate. We handed out the attached materials as the basis of these presentations.

Respectfully submitted,

David Sieradzki

David L. Sieradzki
Counsel to DialToneServices, L.P.

Enclosures

cc: Scott Deutchman
John Hunter
Ian Dillner
Scott Bergmann
Nicholas Alexander

DialToneServices

May 2007

# Serving the Least Served in Rural Texas

Chico and Cy Banner, next door neighbors 21 miles apart, served by DTS

# Who We Are

- Operate as a local telephone company
- Serve the unserved and underserved
- Receive state and federal USF support – designated as an ETC and ETP in Texas
- Distribution and service capabilities
- Exceed quality service requirements

# DTS Operations

- 20 Locations for installation & service
- Billing and customer service
- Local sales agents
- Operator services, 911, 411 and inbound 800 number services
- Warehouse and bench repair facilities

# Telephone Service via Satellite

- Fixed and mobile services
  - Fixed as mobile / Mobile as fixed
- MSS – LEO and GEO
- Own, service and repair all equipment
- Other facilities leased or owned

DTS installation of a fixed docking station in a ranch hand house

Lee Watkins, DTS VP of Marketing discusses service options with customer Leslie Reynolds

Fixed service installed at Leslie Reynold's home

DTS service jeep and the jeep on a difficult service call up Chispa Road in West Texas. Chispa Road is 57 miles long. Up this road DTS serves Coal Mine Ranch, 96 Ranch and Wardle Farms. A lot of dirt roads in West Texas turn into creeks after a rainstorm.

# DTS Markets

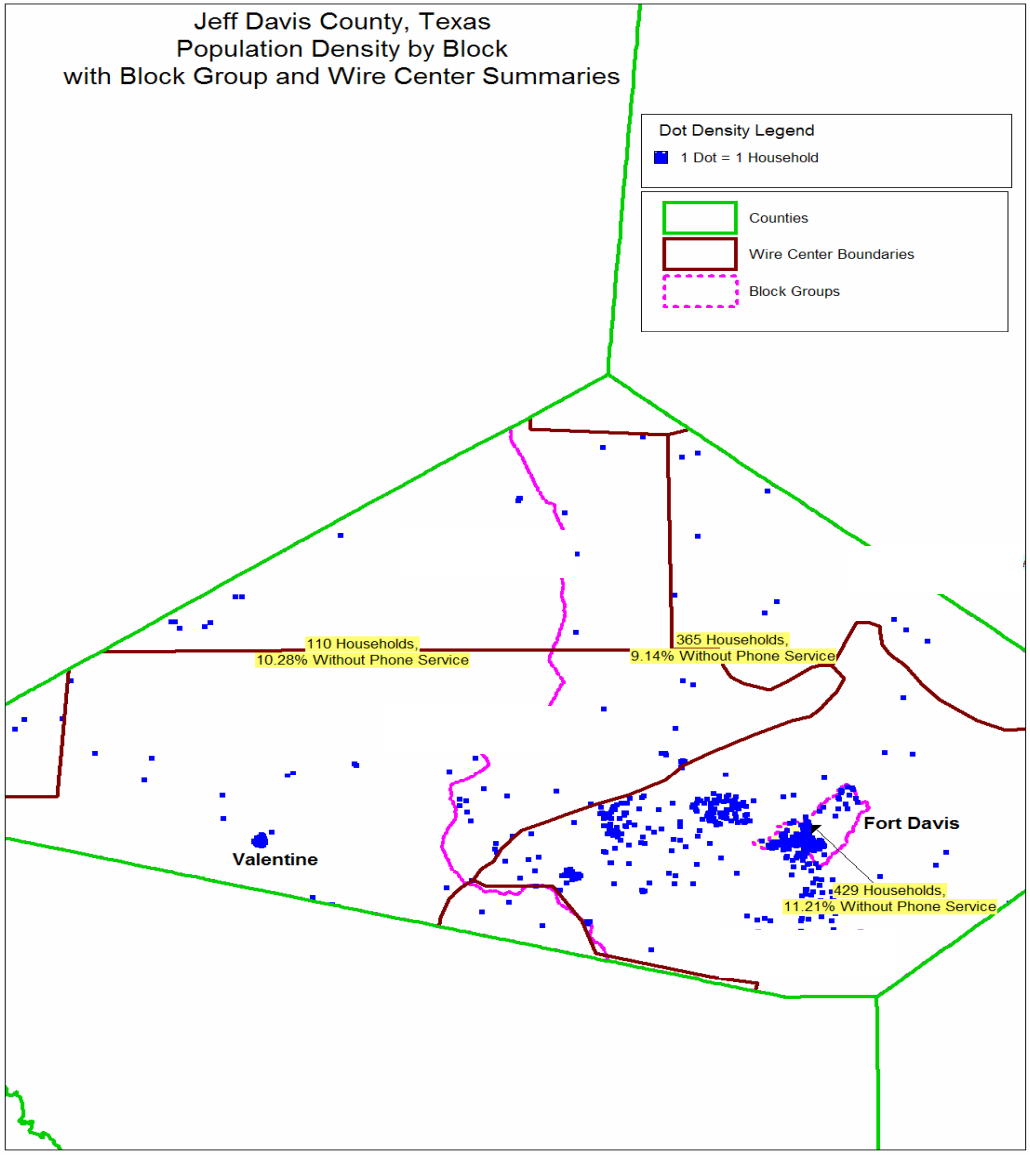
- 125 Texas large telco exchanges
- 82 Texas rural telco exchanges
- 17 unserved areas – Texas formula
- 108 unserved areas – Texas petition

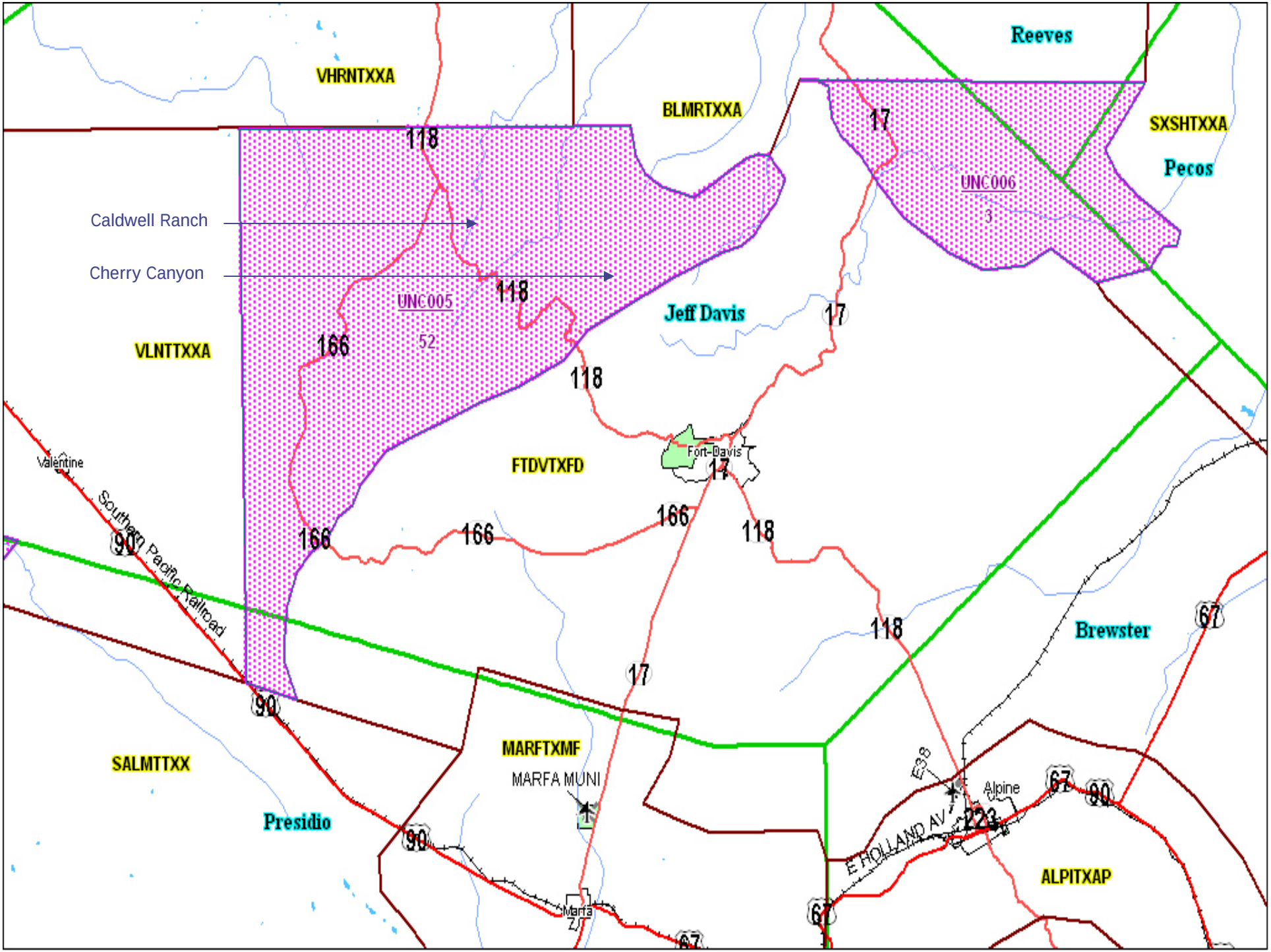
# The Unserved in Texas

- 125 Uncertificated geographic areas
  - 1,200 homes in these areas have never had service
  - No federal USF because no ILEC “study area”
  - Texas state USF – PUC petitions
- Unserved in ILEC areas
  - Line extension cost barriers
  - Line maintenance requirements
  - Right of way barriers
  - Build completion requirements

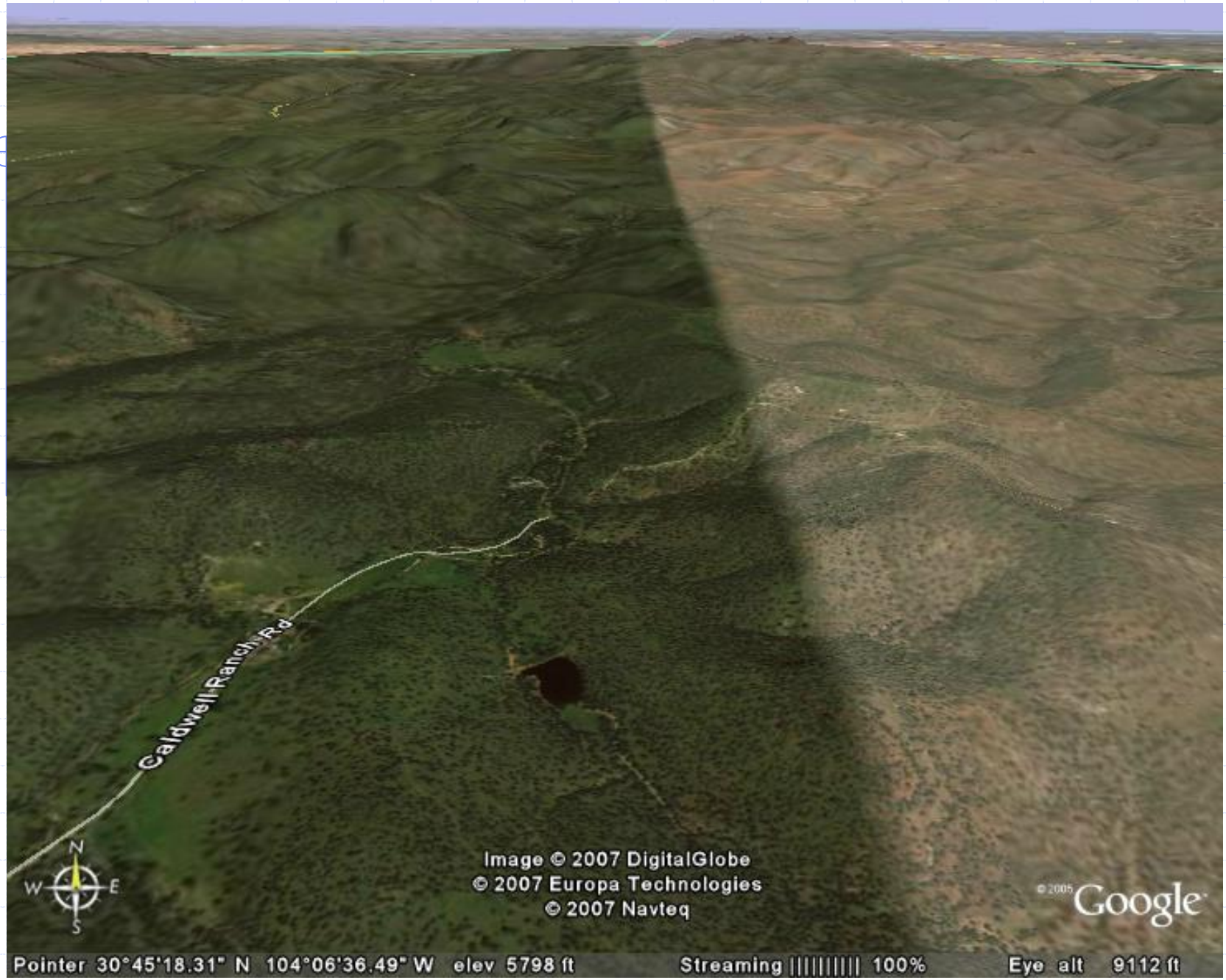
# Uncertificated Area 005

- Bruce Sciba
- Caldwell Ranch
- Carl Ryan
- Davis Mountains Land & Cattle
- Elbow Canyon Ranch
- Jeff G Smith
- Kokernot 06 Ranch Inc
- McCoy Rockpile Ranch
- Nature Conservancy
- Williams Ranch Co


Jeff Davis County, Texas
Population Density by Block
with Block Group and Wire Center Summaries
Dot Density Legend
1 Dot = 1 Household
Counties
Wire Center Boundaries
Block Groups
110 Households,
10.28% Without Phone Service
365 Households,
9.14% Without Phone Service
Fort Davis
Valentine
429 Households,
11.21% Without Phone Service


Reeves
VHRNTXXA
BLMRTXXA
SXSHTXXA
Pecos
UNC006
3
Caldwell Ranch
Cherry Canyon
UNC005
52
Jeff Davis
VLNTTXXA
FTDVTXFD
Fort Davis
Valentine
Southern Pacific Railroad
Brewster
MARFTXMF
MARFA MUNI
SALMTTXX
Presidio
Alpine
E HOLLAND AV
ALPITXAP
Marfa
118
17
166
90
67
223

# Caldwell Ranch



# Caldwell Ranch

# Cherry Canyon Ranch

# The Underserved - Examples

- Iris Korus – 96 Ranch – Extension Cost
- Round Mountain – Repeater problems
- Gus Laware & Lyn Shackelford – electricity issues
- Tom Beard – Leoncita Ranch - Service
- Betty Hargus & Lyn Crittendon – Line Maintenance

# Iris Korus

## $22,000 line extension fee is too expensive

VALOR TELECOM

101 E Tate
Brownfield, TX 79316

September 9, 2005

Iris Korus
410 CR 421
Stockdale, TX 787160

Dear Ms. Korus,

This will confirm your recent application for telephone service in our Valentine, TX exchange area where we do not, at present have facilities to provide you with telephone service.

In order to provide you with telephone service, it will be necessary to construct additional facilities. In this regard, construction charges will be applicable in accordance with our Texas General Exchange Tariff for new construction, which allows us to build at our expense a maximum of 2640 feet of cable per applicant, the combination of which includes not more than 1056 feet on private property. In your particular case, a total of 46,464 feet of construction is necessary, consequently applying 2640 feet leaves a balance of 43,824 feet at $.50 a foot which equals $21,912.00. If you are agreeable to these charges plus any private right-of-way costs that may be incurred, please send your payment in full, to my office within 30 days. Construction will not be started without charges being paid.

Should you have any questions concerning your application, please feel free to call Loyd Fulford at 800-483-6684.

Sincerely,

Terry Longbrake
E & C Manager

TL;skm

# Round Mountain Enterprises – Frijole Ranch

# Betty Hargus

- Does not want to maintain her own rural line

BETTY HARGUS
P.O. BOX 730
FORT STOCKTON, TEXAS 79735

March 28, 2005

Texas Public Utility Commission
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

To Whom It May Concern,

I wish to express my concern about telephone service in the remote area of West Texas. My family have lived on a ranch twenty eight (28) miles from any town for a number of years. The telephone service we have had has been a rural line that was kept up by my family. It got to the point that the line could not be maintain properly at a reasonable cost so we were without a telephone or any communication for several years. Cell phones do not get service in this area due to mountainous terrain, so they were out. We have recently purchased a satellite telephone from Big Canyon TV Service in Alpine Texas. This is the greatest thing that has ever happened. It has been greatly needed not only for communication but in case of emergency.

Please give your immediate attention to promote the satellite service in this area. Thank you for your consideration.

Betty Hargus
Marathon, Texas 79842
432-395-2303

CC: Big Canyon TV

# Valuable service to rural agencies

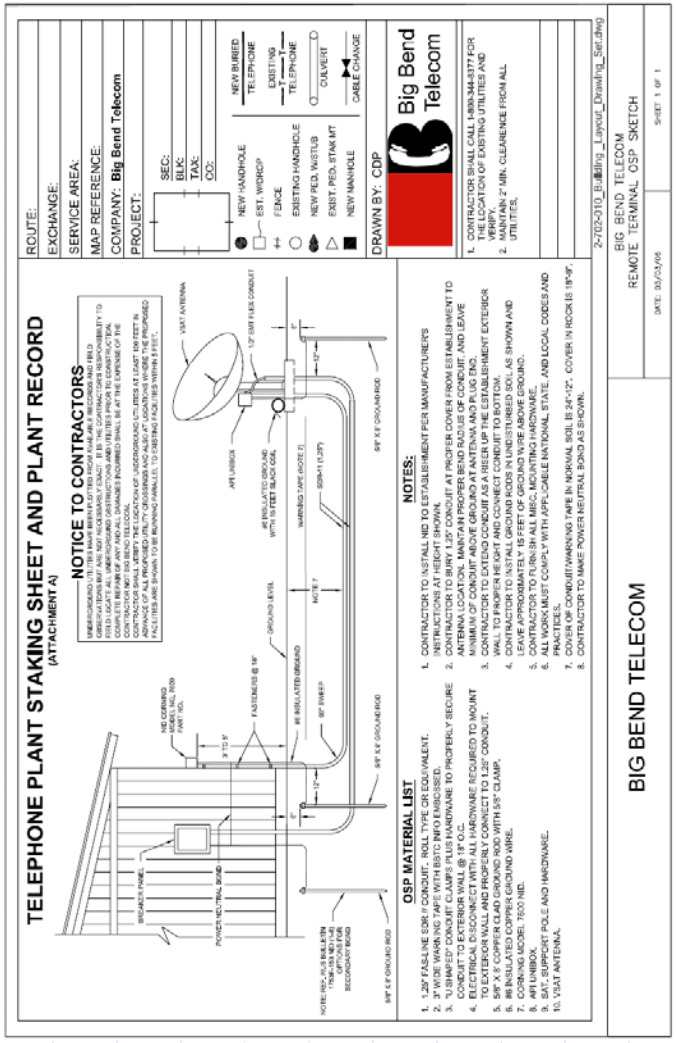
Customer Billy Hopper, Sheriff of Loving County, Texas

- DTS provides fixed and mobile service to:
  - 40 Volunteer Fire Districts
  - 17 County Sheriff Offices
  - 16 Rural Ambulance Rescue / Districts
  - 14 Rural Emergency Management Offices
  - 6 Rural School Districts

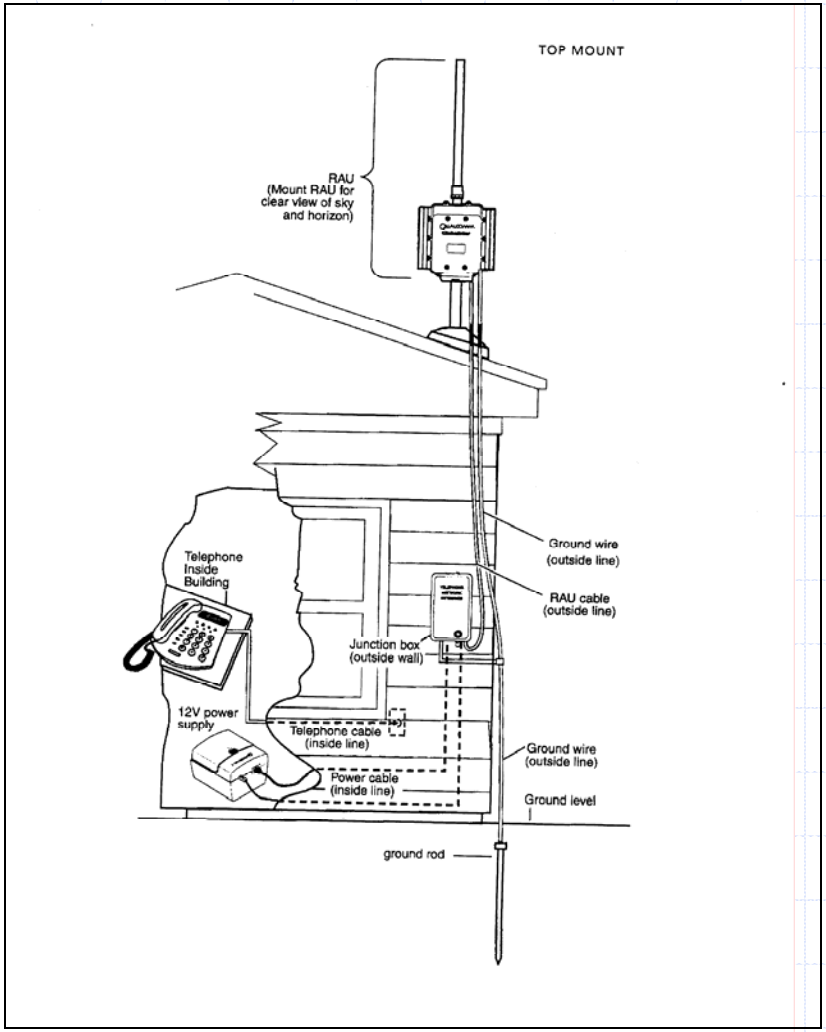
# Facilities-Based Service

- DTS owns and maintains all equipment
  - Fixed transmitter/receiver units mounted at residences (Qualcomm and Ericsson)
  - Wiring, mounts, poles, towers, etc. from earth station to demarcation point (NID)
  - Mobile transmitter/receiver units in vehicles

# ILEC Facilities




# DTS Facilities



ILEC Facilities

DTS Facilities

# Purpose of USF = DTS

- Universal Service:
  - Service to highest cost, unserved/underserved areas
  - Satisfies Texas PUC's stringent ETC and ETP standards
  - Reasonable pricing
  - Lifeline/Link-Up
- Our customers need DTS

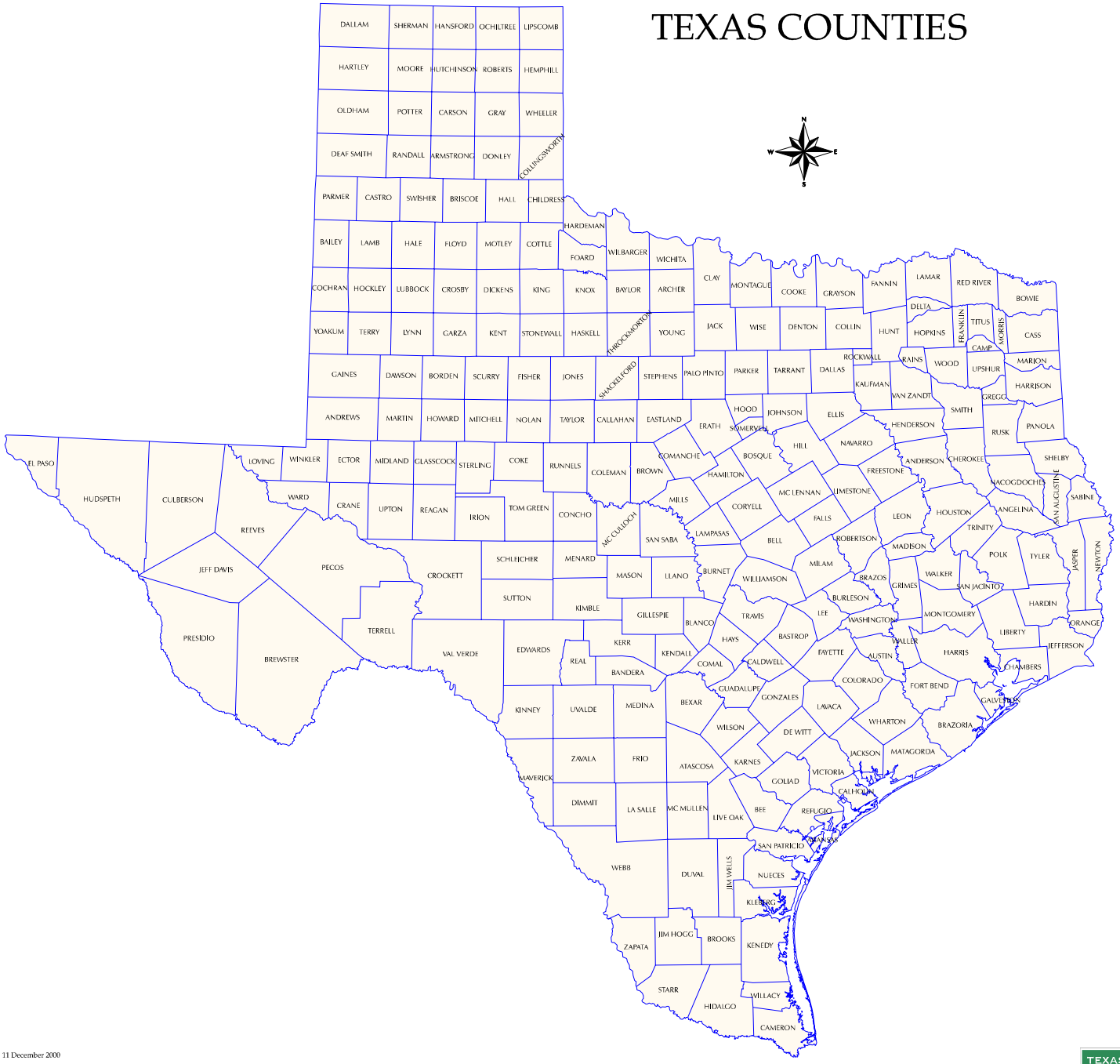
# Purpose of USF = DTS (cont.)

- Public safety:
  - Local, rural governments appreciate DTS
  - Emergency service in remote areas
- Competition:
  - Customer choices
  - Incentives for ILECs to improve service quality

DTS

DialToneServices

# TEXAS COUNTIES



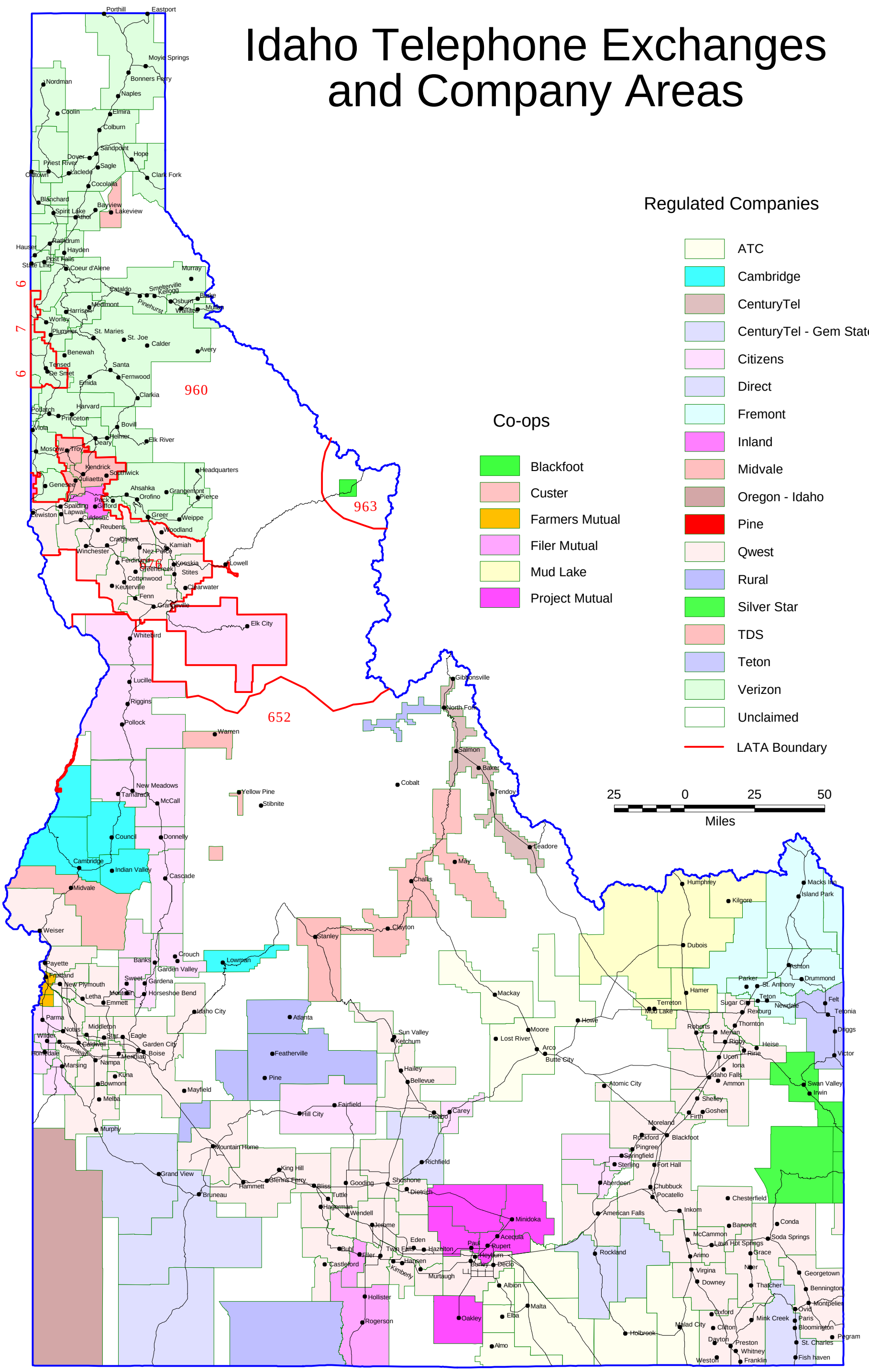

11 December 2000

Projection: Statewide Mapping System

Map compiled by the Texas Parks & Wildlife Department GIS Lab. No claims are made to the accuracy of the data or to the suitability of the data to a particular use.

TEXAS PARKS & WILDLIFE

# Idaho Telephone Exchanges and Company Areas




IDAHO PUBLIC
UTILITIES COMMISSION
10/30/01
RPS