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February 9, 2009

Marlene H. Dortch  
 Secretary  
 Federal Communications Commission  
 445 12<sup>th</sup> Street SW  
 Washington, DC 20554

**Written *Ex Parte* Letter**

**RE: Jurisdictional Separations and Referral to the Federal-State Joint Board  
 CC Docket No. 80-286**

**Federal-State Joint Board on Universal Service  
 CC Docket No. 96-45**

**Mid-Communications, Inc. dba HickoryTech Request for Review of  
 Decision of Universal Service Administrator  
 WC Docket No. 05-337**

Dear Ms. Dortch:

Mid-Communications, Inc. dba HickoryTech (“Mid-Com” or “Company”) files this *ex parte* letter in support of the Petition for Clarification by the Coalition for Equity in Switching Support (“Coalition”) filed January 8, 2009.

Mid-Com has made essentially the same arguments as the Coalition in its own Request for Review of Universal Service Administrator Decision.<sup>1</sup> In this letter, Mid-Com wishes to clarify one point of information contained in the Coalition’s Petition and in its *ex parte* presentation of February 4, 2009. Specifically, in Exhibit 1 to the Petition, Mid-Com is listed as a company whose DEM weighting factor exceeded a threshold and then fell below that threshold. In the Coalition’s *ex parte* presentation, Mid-Com is listed as qualifying for a DEM weighting factor of 3 instead of 2.5.

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<sup>1</sup> Request for Review by Mid-Communications, Inc. dba HickoryTech of Decision of Universal Service Administrator, WC Docket No. 05-337, filed on June 16, 2008 (“Request”). HickoryTech has attached a copy of the Petition to this *ex parte* letter filed in WC Docket 05-337, the docket in which HickoryTech’s appeal is pending.

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Mid-Com is an average schedule company and does not use a § 36.125(f) DEM weighting factor in its support calculation. Rather, it calculates its local switching support based on formulas proposed by NECA and approved by the FCC under § 54.301(f). Like the DEM weighting factor, those formulas differ on the basis of line counts. The so-called one-way ratchet rule in § 36.125(j), however, by its terms applies only to the DEM weighting factor calculated under § 36.125(f).

In April 2006, Mid-Com's line count dropped below the 10,000 threshold. In its support calculations performed later that year, Mid-Com used the support fraction, which is analogous to the DEM weighting factor, applicable to companies with less than 10,000 lines. The result would have been an increase in the amount of local switching support received. The calculation was verified with the Universal Service Administration Company ("USAC"). Mid-Com received support on that basis until May 2008, when its support was reduced by \$207,329 as a result of USAC retroactively applying its interpretation of §54.301(a)(2)(ii).

In its Request, Mid-Com has asked for a refund of the retroactive adjustment, that no further true-ups occur and that USAC be directed to cease applying §54.301(a)(2)(ii) in the inequitable one-way manner it has chosen to do. For this reason, Mid-Com supports the Coalition for Equity in Switching Support's request that the Commission clarify that all rural carriers, cost and average schedule, are eligible for local switching support as determined by their current access line count.

Sincerely yours,

/s

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