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October 5, 2010

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 05-337
Notice of *Ex Parte* Presentation

Dear Ms. Dortch:

On October 4, 2010, Joan Johnson and Rusty Moore of Big Bend Telephone Company ("Big Bend"), Steve Meltzer and John Kuykendall of John Staurulakis, Inc. ("JSI"), and Eric Keber of the Western Telecommunications Alliance ("WTA") met with Christine Kurth, Commissioner Robert McDowell's Policy Director & Wireline Counsel. The Big Bend, JSI and WTA representatives met on behalf of the Border Companies, a group of rural rate-of-return incumbent local exchange carriers ("ILECs") who operate in U.S. border areas comprising approximately 50% of the total border miles on the U.S.-Mexico border.

The subject of discussion was the impact of the National Broadband Plan on the telecommunications and broadband services provided by the Border Companies that are critical to law enforcement and homeland security. A copy of the presentation which was discussed at the meeting is attached. [1]

In the meeting, Big Bend and JSI representatives explained the disastrous effect that the proposed cap on high-cost universal service funds ("USF") and transition away from rate-of-return regulation would have on the Border Companies which rely heavily on current USF support to maintain and upgrade the core telecommunications and broadband network for services vital to U.S.-Mexico border security agencies and anchor institutions. Also discussed were the efficiencies of rate-of-return regulation, and the use of fiber in rural ILEC networks.

[1] Also provided at the meeting were Comments of The Border Companies, GN Docket No. 10-90, GN Docket No. 09-51, and WC Docket No. 05-337, filed July 12, 2010.

Please contact the undersigned with any questions.

Respectfully submitted,

/s/ John Kuykendall
John Kuykendall
Vice President

on behalf of

The Border Companies

cc: Christine Kurth

Attachment

Impact of the FCC's National Broadband Plan by the Border Companies

October 2010

FCC Ex Parte Presentation

Who We Are

- The Border Companies are rural incumbent local exchange carriers (RLECs) who provide high-quality telecom and broadband service in their geographic study areas.

- These companies are:
  - Big Bend Telephone Company (TX)
  - Valley Telephone Cooperative, Inc. (TX)
  - Dell Telephone Cooperative (TX)
  - Alenco Communications, Inc. (TX)
  - Border to Border Communications, Inc.(TX)
  - Southwest Texas Telephone Company (TX)
  - Riviera Telephone Company (TX)
  - Valley Telephone Cooperative, Inc. dba Valley TeleCom Group (NM and AZ)
  - Tohono O'odham Utility Authority (AZ)
  - Table Top Telephone Company, Inc. (AZ)

Where We Serve

- In total, we serve 984 miles of the 1,954 miles that comprise the entire U.S.-Mexico border - approximately 50% of the total border miles
  - Of note, Big Bend's service area includes 485 miles of the Texas-Mexico border which is more than the border miles for the entire state of Arizona

- All of the Border Companies provide critical services including high capacity circuits, high speed broadband and voice services to federal, state and local border security and emergency institutions in the most remote areas of the border

Our Concerns

- In comments filed before the FCC, the Border Companies demonstrate that:
  - the companies rely heavily on current high-cost universal service funds (USF) to maintain and upgrade the core telecom and broadband network for the services they provide to vital U.S.-Mexico border security agencies and to anchor institutions

- the proposals in the FCC's National Broadband Plan to cap current high-cost support and to cut support by requiring transition away from rate-of-return regulation would be disastrous and contrary to the public interest

Rate-of-Return Does Not Lead to Inefficiencies

- There are no guarantees that a carrier will accomplish its financial goals or achieve its permissible rate of return without prudent management and efficient business decisions that are stringently reviewed by state and federal regulatory bodies as well as rate-of-return regulated companies' lenders, members, owners, and boards of directors

- RLECs are essential members of their communities with keen desire and interest in operating efficiently for the betterment of their customers who are also their friends, neighbors, and in some cases, shareholders or cooperative members
- RLECs continue to explore and implement the most efficient technologies

BigBend TELEPHONE COMPANY

- Use of fiber in RLEC's networks is not inefficient
  - The Border Companies partner with law enforcement to secure the border and law enforcement requires high-speed and reliability that only fiber can provide
  - RLEC's deployment of fiber forms the "core" network
  - The more rural the area, the more appetite for bandwidth
  - More efficient to deploy fiber to meet the increasing demands of the future

Conclusion

The FCC should enact any modifications to existing USF mechanisms in a thoughtful and reasoned approach, considering the proven success that has resulted from rate-of-return regulation.

The Border Companies remain committed to fulfilling consumer demand for broadband as well as supporting the very critical role of numerous agencies whose job is to ensure the safety of all Americans through border protection

Who We Are

The Border Companies are rural incumbent Local Exchange carriers (RLECS) who provide high-quality telecom and broadband service in their geographic study Areas.

Attachment 1

The Border Companies

	Big Bend Telephone Company, Inc.(TX)	Dell Telephone Cooperative (TX)	Valley Telephone Coop, Inc. (TX)	Alenco (TX)	Border to Border (TX)	Southwest Texas Telephone (TX)	Riviera Telephone (TX)	Texas Rural LEC Total	Texas Total	Valley TeleCom Group (NM)	New Mexico Total	Tohono O'odham Utility (AZ)	Valley TeleCom Group (AZ)	Table Top Telephone (AZ)	Arizona Rural and Tribal	Arizona Total	California Total	Total Rural LEC	United States Total
Miles of Border with Mexico	485	200	4	60	16	-	-	765	1,255	130	180	62	20	7	89	378	141	984	1,954
Percentage of Total	25%	10%	0%	3%	1%	0%	0%	39%	64%	7%	9%	3%	1%	0.4%	3%	19%	7%	50%	
Total Access Lines - Regulated	5,000	1,225	6,120	1,965	88	4,132	1,097	19,627		1,179		4,180	6,963	3,995	15,138			35,944	
Square Miles Served	18,000	10,500	7,850	4,835	800	3,600	1,000	46,585		3,500		4,479	6,500	2,976	13,955			64,040	
% of Access Lines Per Sq Miles Served	0.278	0.117	0.780	0.406	0.110	1.148	1.097	0.421		0.337		0.933	1.071	1.342	1.085			0.561	
Fiber Based Network	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes		Yes	Yes	Yes					
Miles of Fiber Network in Place	1,700	800	1,400	100	80	355	100	4,535		170		135	205	134	474			5,179	

Attachment 2

The Border Companies

		Big Bend Telephone Company, Inc.(TX)	Dell Telephone Cooperative (TX)	Valley Telephone Coop, Inc. (TX)	Alenco (TX)	Border to Border (TX)	Southwest Texas Telephone (TX)	Riviera Telephone (TX)	Valley TeleCom Group (NM)	Tohono O'odham Utility (AZ)	Valley TeleCom Group (AZ)	Table Top Telephone (AZ)
	Border Security Institutions Served:											
1	U. S. Port of Entry	Presidio and Boquillas (under construction)			Columbia-Salidarity International Bridge (Largest Inland Port in U. S.)				Columbus and have fiber within 3 miles of PPE at Santa Teresa currently served by ATT		Antelope Wells and have fiber within 3 miles of PPE at Douglas currently served by Quest	Lukeville
2	U. S. Border Patrol Check Point Stations	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes		Yes
3	U. S. Border Patrol Office Locations	Yes		Yes	Yes	Yes		Yes	Yes	Yes	Yes	Yes
4	U. S. Customs	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes	Yes	Yes
5	U. S. Department of Justice	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	U. S. Air Force - Radar Balloon Installation Site	Yes		Yes					Yes			
7	U. S. Weather Service	Yes										Yes
8	U. S. Navy - Gunnery and Bombing Range			Yes								
9	U. S. Coast Guard - Port Mansfield, TX			Yes								

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10	U. S. Department of Immigration, Customs and Enforcement	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
11	Federal Aviation Administration	Yes					Yes	Yes	Yes		Yes	Yes
12	Long Range Radar Station						Yes					
13	Federal Motor Carrier Safety Administration	Yes			Yes							
14	Department of the Interior/Homeland Security	Big Bend National Park	Guadalupe National Park							Yes		Yes
15	Unmanned Aerial Vehicles (Drones)	Yes										
16	Virtual Fence	In Planning Stages							In Planning Stages		In Planning Stages	In Planning Stages
17	Texas Department of Public Safety	Yes	Yes	Yes	Yes			Yes				
18	Texas Department of Parks and Wildlife	Yes	Yes	Yes	Yes		Yes	Yes				
19	Texas Department of Transportation	Yes	Yes	Yes	Yes		Yes	Yes				
20	Sheriff's Department offices and Radio Repeater Sites	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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		Big Bend Telephone Company, Inc.(TX)	Dell Telephone Cooperative (TX)	Valley Telephone Coop, Inc. (TX)	Alenco (TX)	Border to Border (TX)	Southwest Texas Telephone (TX)	Riviera Telephone (TX)	Valley TeleCom Group (NM)	Tohono O'odham Utility (AZ)	Valley TeleCom Group (AZ)	Table Top Telephone (AZ)
21	911 Facilities	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Services Available to Border Security and Emergency Institutions:

High Capacity Circuits	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
High Speed Broadband	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ethernet Transport	Yes	Yes	Yes				Yes	Yes		Yes	Yes
Voice Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Attachment 3

The Border Companies

	Texas	New Mexico	Arizona	California	Total
Miles of Border with Mexico	1,255	180	378	141	1,954
Percentage of Total	64%	9%	19%	7%	100%
Rural and Tribal ILEC Miles of Border with Mexico	765	130	89	-	984
Percentage of state	61%	72%	24%	0%	50%
Rural Percentage of Total	39%	7%	5%	0%	50%