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June 17, 2011

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. 07-135, WC
Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45, WC
Docket No. 03-109
Notice of *Ex Parte* Presentation**

Dear Ms. Dortch:

On June 15, 2011, Randy Fletcher, Tom Bowden of Lennon Telephone Company (“Lennon” or “Company”), John Kuykendall and Jon Boike of John Staurulakis, Inc. (“JSI”) met with Angela Kronenberg, Commissioner Mignon Clyburn’s Wireline Legal Advisor. The subject of discussion was the impact of proposed National Broadband Plan universal service reforms on Lennon operations and service to its rural Michigan customers. Attached is a copy of the presentation and data which were provided.

Mr. Fletcher and Mr. Bowden provided a brief history of the Company, a family business operation with up to four generations carrying on the tradition, and described the broadband and other services that the Company and its cable TV affiliate provide. Lennon has two outstanding loans, one of which is to transition to a softswitch.

Mr. Fletcher stated that the Lennon is heavily dependent on universal service support and demonstrated how the near-term proposals in the FCC’s Notice of Proposed Rulemaking¹ would jeopardize the Company’s loan commitments and would have a devastating impact on the Company’s ability to continue to provide its telecom and broadband services. The Commission was urged to consider alternative proposals that would ensure that rural telephone companies are able to meet their loan commitments.

¹ *In the Matter of 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 an Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, and Lifeline and Link-Up*, WC Dockets No. 10-90 et al., FCC 11-13 (rel. Feb. 9, 2011); 76 Fed. Reg. 11632-11663 (2011).

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Please contact the undersigned with any questions.

Respectfully submitted,

/s/ John Kuykendall

John Kuykendall
Vice President
on behalf of
Lennon Telephone Company

cc: Angela Kronenberg

Attachment



Lennon Telephone Company
3095 Sheridan Rd.
PO Box 329
Lennon, MI 48449

FCC *Ex Parte* Meeting
June 15, 2011

- History of Lennon Telephone Company
 - In 1946, Walter and Donna Kline bought Lennon Telephone Company which had about 150 customers. Donna operated the business from 1951, when Walter died, until January of 1994, when she died and left the company to her daughter.
 - Today, there are 15 employees working at the company. The business remains a family operation, with second, third, and fourth generations carrying on the tradition. The Company provides high quality communications service to over 3,000 business and residential customers.

- The Company together with its subsidiary, TVC Cable, provide telecom, cable TV and Internet services to Lennon area residents.
 - Lennon Telephone Company provides telecom and broadband services over copper or fiber.
 - TVC Cable provides video and cable modem services over a fiber/coax hybrid network.

- The Company has two outstanding loans, one of which is to transition to a softswitch.
 - The Company is on the verge of migrating its customers to the softswitch.

- The Company is heavily dependent on Universal Service support.
 - Universal service support constitutes approximately 53 percent of the Company's regulated revenues and approximately 28 percent of the total revenues of the Company and its affiliate.
 - As demonstrated in the attached impact statement, the near-term proposals in the FCC's Notice of Proposed Rulemaking on universal service reform would significantly reduce the amount of universal service support that the Company receives.
 - The reduction in support would jeopardize the Company's ability to meet its loan commitments and would severely negatively impact the ability of the Company to continue to provide its telecom and broadband services.

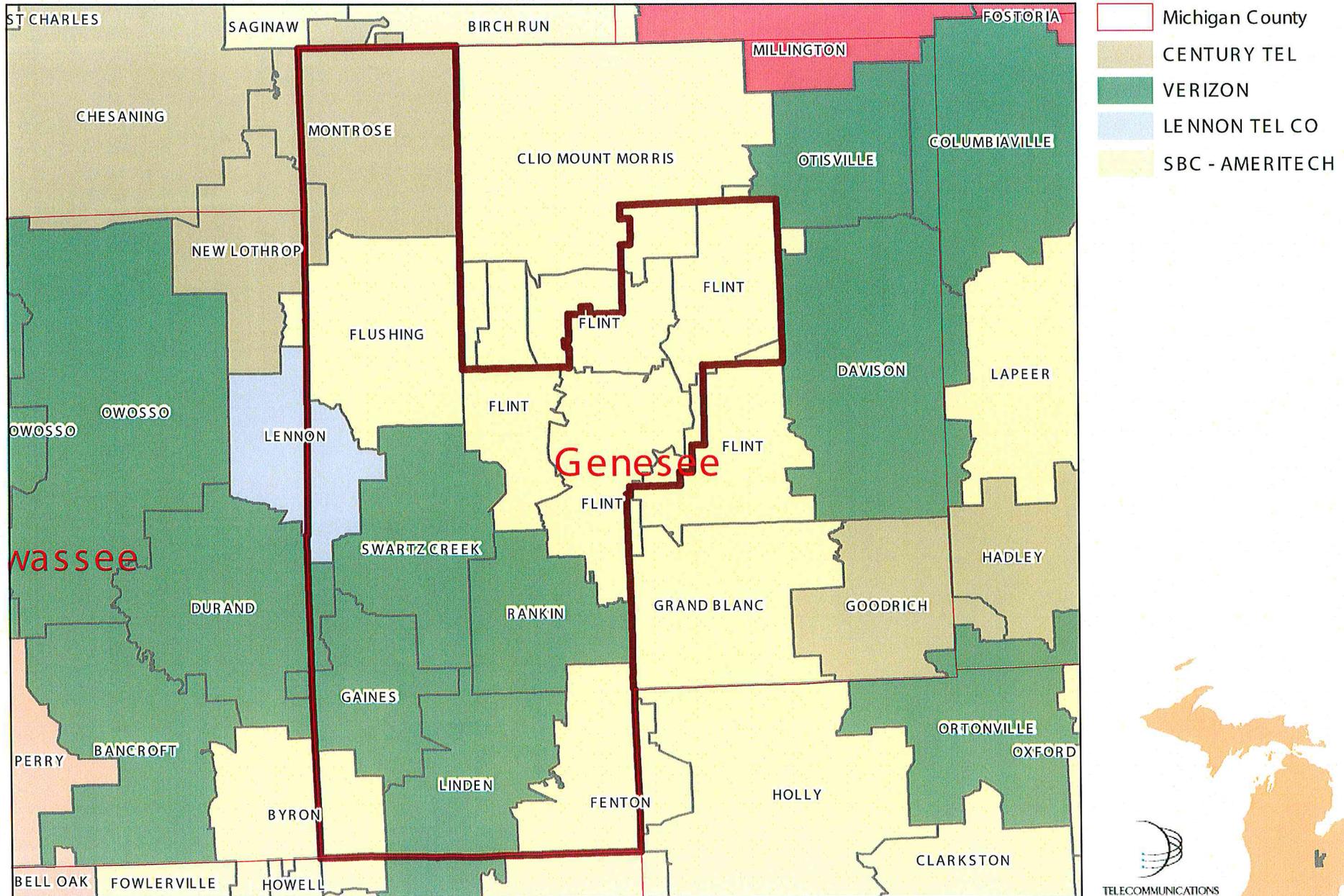
- The Company urges the Commission to consider alternative proposals that would ensure that Lennon Telephone Company and other rural telephone companies are able to continue to meet their loan commitments.

ATTACHMENT 1

MAP

Michigan Senate District 27

Incumbent Local Exchange Carriers by Service Area



ATTACHMENT 2
IMPACT STATEMENT

Lennon Telephone

SAC ID: 310708

NPRM Proposed Changes

High Cost Loop Fund Changes:

Current HCL Support*			\$396,530
Reduction due to algorithm change	(stand alone)	(\$54,963)	
Reduction due to elimination of Corp. Exp.	(stand alone)	(\$280,798)	
Combined effect (run together)			(\$298,321)
Increase due to resizing of NACPL	(assumed NACPL reduction of 26.86%)		\$94,218
Revised HCLF Support			\$192,427

FCC proposes to eliminate (or reduce) support for corporate expenses in all funding mechanisms.

FCC proposes to reduce the reimbursement percentages for high-cost loop support from the current percentages of 65% for qualifying study area loop costs between 115 - 150% and 75% for qualifying study area loop costs in excess of 150% to 55% and 65%, respectively.

Local Switching Support Changes:

Current LSS			\$113,191
Reduction due to elimination of Corp. Exp.			(\$31,351)
Revised LSS Support			\$81,840

The FCC seeks to eliminate local switching support, or combine this program with high-cost loop support. Alternatively, the FCC would combine the LSS program into the HCLF program—creating a LHCS hybrid, using an algorithm similar to HCLF.

Interstate Common Line Support Changes:

Current ICLS			\$308,213
Reduction due to elimination of Corp. Exp.			(\$126,494)
Revised ICLS Support			\$181,719

Safety Net Additive

Current Safety Net Support			\$7,656
Reduction due to elimination of Safety Net			(\$7,656)
Revised Safety Net			\$0

The FCC seeks to eliminate safety net additive support immediately, or implement a phase-down over possibly three years.

	Original	Revised	Impact	% Change
HCLF	\$396,530	\$192,427	(\$204,103)	-51.47%
LSS	\$113,191	\$81,840	(\$31,351)	-27.70%
ICLS	\$308,213	\$181,719	(\$126,494)	-41.04%
Safety Net	\$7,656	\$0	(\$7,656)	-100.00%
Totals	\$825,590	\$455,986	(\$369,604)	-44.77%
Loops	978	978	978	
USF/Loop/Year	\$844.16	\$466.24	(\$377.92)	-44.77%

*2010-1 NACPL of \$458.36