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REDACTED – FOR PUBLIC INSPECTION

June 22, 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 Horry Telephone Cooperative, Inc. Notice of *Ex Parte* Presentation to Margaret McCarthy, Office of Commissioner Copps

Dear Ms. Dortch:

This request for confidentiality is made on behalf of Horry Telephone Cooperative, Inc. ("Horry") pursuant to the September 16, 2010 Protective Order in CC Docket No. 01-92, WC Docket Nos. 05-337, 07-135 and 10-90 and GN Docket No. 09-51.[1] Horry seeks confidential treatment of the data attached to the above-referenced Notice of Ex Parte Presentation.

Pursuant to paragraph 4 of the Protective Order, non-redacted and redacted versions are filed herewith. Each page of the non-redacted submission is marked "CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-135 AND 10-90 AND GN DOCKET NO. 09-51 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION". Each page of the redacted submission is marked "REDACTED - FOR PUBLIC INSPECTION". The redacted version is also being filed this date via the FCC's Electronic Comment Filing System.

Please contact the undersigned with any questions.

Respectfully submitted,

/s/ John Kuykendall

John Kuykendall
Vice President
on behalf of
Horry Telephone Cooperative, Inc.

Attachment

cc: Lynne Hewitt Engledow, Wireline Competition Bureau (two copies non-redacted)

[1] *See Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, Protective Order, 25 FCC Rcd 13160 (WCB 2010)

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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 20, 2011, O'Neal Miller, Mike Hagg of Horry Telephone Cooperative, Inc. ("Horry" or "Cooperative"), Steve Meltzer, and John Kuykendall of John Staurulakis, Inc. ("JSI") met with Margaret McCarthy, Wireline Policy Advisor to Commissioner Michael Copps. The subject of discussion was the impact of proposed National Broadband Plan universal service reforms on Horry operations and service to its rural South Carolina customers. Attached is a copy of the presentation and data which were provided.

Mr. Hagg reviewed the map of Horry's service territory which is approximately the size of Rhode Island. Mr. Hagg described the Cooperative's services and highlighted the access to broadband at speeds of 4 Mbps and above to 100% of wireline customers with a 50% broadband adoption rate among those customers, and the provision of service over a fiber network to schools and hospitals. Mr. Hagg also indicated that Horry is an anchor employer in an area of high unemployment and low wages, and that the Cooperative's telecommunications infrastructure is an attraction for potential commercial development that would bolster the local economy.

Mr. Hagg and Mr. Meltzer detailed the impact of the near-term proposals in the NPRM[1]. It was noted that Horry has been very prudent in its investment decisions and does not "gold plate" expenditures. The Cooperative has qualified for and currently receives safety net

[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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additive support. The Commission was urged to preserve the safety net additive support which Horry has incorporated into its business plan and is critical to continued services.

Please contact the undersigned with any questions.

Respectfully submitted,

/s/ John Kuykendall

John Kuykendall
Vice President
on behalf of
Horry Telephone Cooperative, Inc.

cc: Margaret McCarthy

Attachment

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HTC - Horry Telephone Cooperative, Inc.

3480 Highway 701 North
Conway, SC 29526

FCC *Ex Parte* Meeting
June 20 - 21, 2011

- SERVICE AREA MAP
- IMPACT STATEMENT

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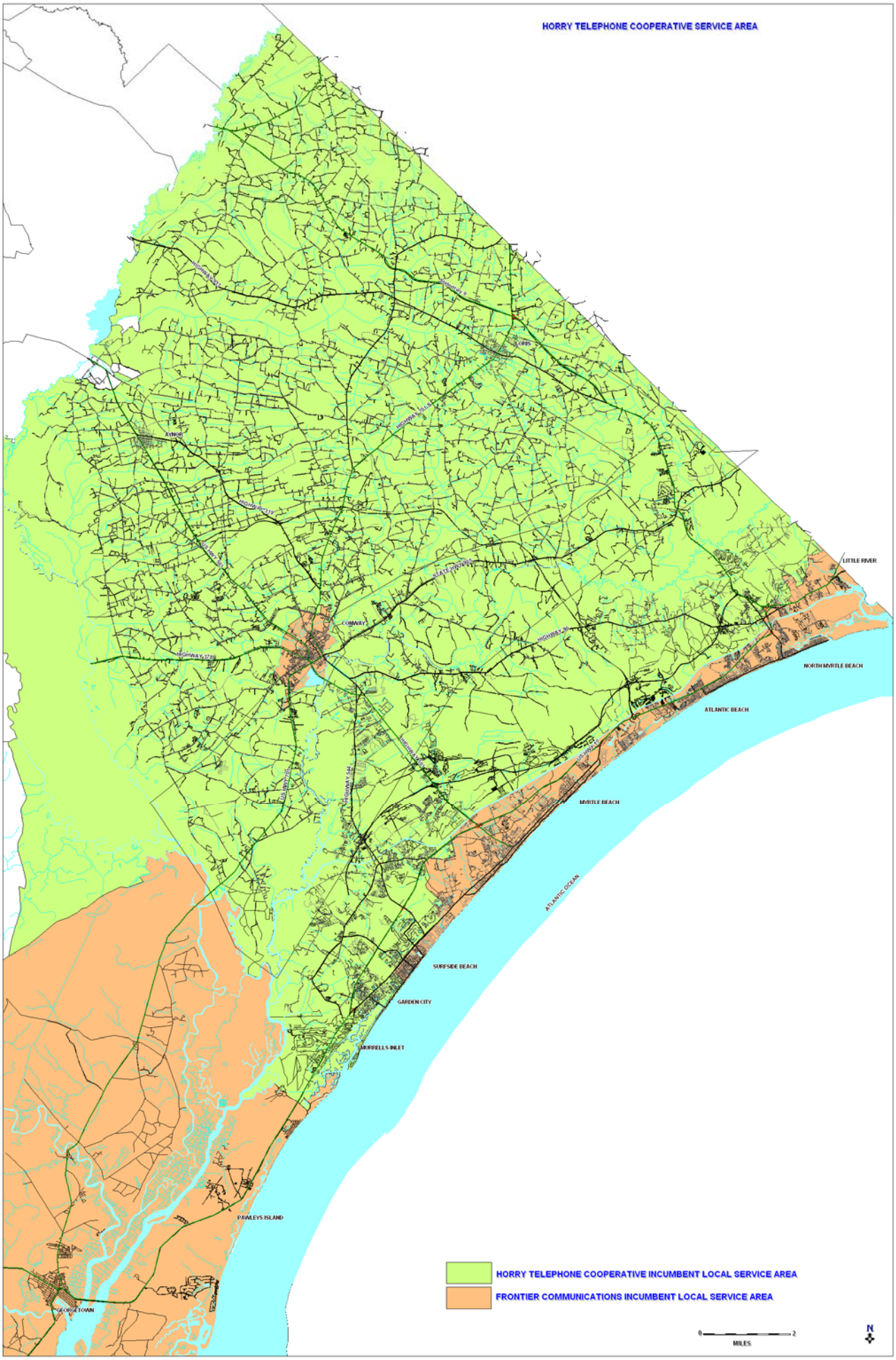

Horry, SC

SAC ID: 240528

NPRM Proposed Changes

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

High Cost Loop Fund Changes:

Current HCL Support*			Redacted
Reduction due to algorithm change	(stand alone)	Redacted	
Reduction due to elimination of Corp. Exp.	(stand alone)	Redacted	
Combined effect (run together)			Redacted
Increase due to resizing of NACPL	(assumed NACPL reduction of 26.86%)		Redacted
Revised HCLF Support			Redacted

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	Redacted
Reduction due to elimination of Corp. Exp.	Redacted
Revised LSS Support	Redacted

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 HCLS program—creating a LHCS hybrid, using an algorithm similar to HCLS.

Interstate Common Line Support Changes:

Current ICLS	Redacted
Reduction due to elimination of Corp. Exp.	Redacted
Revised ICLS Support	Redacted

Safety Net Additive

Current Safety Net Support	Redacted
Reduction due to elimination of Safety Net	Redacted
Revised Safety Net	Redacted

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

	Original	Revised	Impact	% Change
HCLF	Redacted	Redacted	Redacted	Redacted
LSS	Redacted	Redacted	Redacted	Redacted
ICLS	Redacted	Redacted	Redacted	Redacted
Safety Net	Redacted	Redacted	Redacted	Redacted
Totals	Redacted	Redacted	Redacted	Redacted
Loops	Redacted	Redacted	Redacted	Redacted
USF/Loop/Year	Redacted	Redacted	Redacted	Redacted

*2010-1 NACPL of $458.36