RURAL TELEPHONE SERVICE CO., INC.

Your One-Stop Communications, Information and Entertainment Source

October 20, 2011

Julius Genachowski, Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 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, and WC Docket 03-109

Ex Parte Presentation

Dear Mr. Chairman:

I am taking the unusual step of writing you directly to ensure that the controversy generated by these proceedings does not overwhelm a critical fact: the policy positions advocated by an association do not constitute a waiver of the legal rights of any association member. On behalf of my company, I want to state clearly, on the record, that **we specifically reserve all legal rights and remedies, including, but not limited to, the right to recover our established operational costs and historic capital investments.**

We appreciate the efforts that our associations have undertaken on behalf of their constituents. We are concerned, however, that the attempt to force a negotiated resolution to the difficult issues facing our industry has marginalized the operational impact on individual companies and, worse, ignored the consequences to consumers, businesses and the economy in rural America.

My company's historic investment and operational structure has been based upon a specific statutory and regulatory framework. Simply put, after the fact modifications to regulations cannot interfere with our company's expectation and right to recover historic costs, or the public's expectation and right to continued service at reasonable costs.

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Similarly, since Congress has provided for an expanding definition of comparable universal services to all Americans at reasonable rates, we believe that the establishment of any differential between urban and rural service standards is simply contrary to law and deprives rural communities of the infrastructure most necessary for economic stability and advancement. Ensuring the availability of reasonably comparable service requires the establishment of clear and sufficient funding mechanisms for future costs, and no mandate to provide such services is enforceable absent an appropriate framework.

Our resort to this formal reservation of rights is required because, in a rush to implement an industry-sponsored solution, the very purpose of Section 254 -- the preservation and advancement of universal service has been undermined, and we must preserve our legal rights as a result.

In accordance with the requirements of Section 1.1206 of the Commission's Rules, this letter is being filed electronically with the Secretary's Office in each of the referenced dockets.

Respectfully submitted,

Larry E. Sevier
CEO

c: Senator Pat Roberts
Senator Jerry Moran
Representative Tim Huelskamp
Representative Lynn Jenkins
Representative Mike Pompeo