



May 13, 2013

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

Attention: Wireline Competition Bureau

Re: **Petition for Limited Waiver of Section 51.917(b)(7)(ii)  
Arthur Mutual Telephone  
Connect America Fund, WC Docket Nos. 10-90 et al.**

Dear Ms. Dortch:

Pursuant to Section 1.3 of the rules of the Federal Communications Commission (“FCC” or “Commission”),<sup>1</sup> Arthur Mutual Telephone Company (the “Company”), SAC 300586 hereby requests a limited waiver of 47 C.F.R. Section 51.917(b)(7)(ii).<sup>2</sup> As demonstrated in the following information, good cause exists for waiver of the 2011 Rate-of-Return Carrier Base Period Revenue (“Base Period Revenue”), specifically the Fiscal Year 2011 revenues from Transitional Intrastate Access Service received from October 1, 2010 through September 30, 2011. Limited waiver of these rules would allow the Company to include in its FY 2011 Base Period Revenue amounts for Transitional Intrastate Access Service that were billed and collected during this time period, but were not properly accounted for when calculating the baseline for recovery. That condition as demonstrated herein, has been subsequently rectified, and thus grant of this limited waiver is warranted. The “good cause” waiver standard has been satisfied, and grant of this waiver would be in the public interest.

Arthur Mutual Telephone Company seeks confidential treatment under the Third Protective Order in this proceeding.<sup>3</sup> Pursuant to the Order, one copy of the confidential document and two copies of the redacted version are provided. The redacted version is also being filed on the Electronic Comment Filing System.

The Company is a rural incumbent local exchange carrier (“ILEC”) operating in Ohio serving approximately [REDACTED] customers. The Company is a rate-of-return carrier participating in the National Exchange Carrier Association, Inc. (“NECA”) Common Line and Traffic Sensitive pools.

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<sup>1</sup> 47 C.F.R. § 1.3

<sup>2</sup> 47 C.F.R. § 51.917(b)(7)(ii)

<sup>3</sup> See Third Protective Order, WC Docket Nos. 10-90 et al, DA 12-1418 rel. August 30, 2012 (“Order”)

The Company submitted to NECA data to calculate the FY 2011 Base Period Revenue, including the three required components: (1) 2011 Interstate Switched Access Revenue Requirement; (2) Fiscal Year 2011 revenues from rate elements included in the definition of Transitional Intrastate Access Service received from October 1, 2010 through September 30, 2011; and (3) Fiscal Year 2011 net reciprocal compensation revenues received from October 1, 2010 through September 30, 2011. The Company, however, during the Base Period Revenue had a billing omission related to eight months of revenue and minutes related to Intrastate/InterMTA billed as Intrastate access and received from wireless carriers. This error occurred and was recognized due to a change in billing vendors which occurred during the June 2011 billing period.

During its data collection and submission to NECA, the Company received eight months of data from its previous billing vendor and four months of data from its new and current billing vendor. Intrastate/InterMTA should have been accounted for from both billing vendors, however was not included in the data that was submitted to the Company from its previous billing vendor. Due to the omission of this data from its previous billing vendor, the Company calculates that [REDACTED] minutes and [REDACTED] in additional revenue that should have been included were not included Fiscal Year 2011 Intrastate Access Service Revenues and Fiscal Year 2011 Base Period Revenue.

This material understatement of base period revenues for the Company, if they are not allowed to correct it, would reduce the company's CAF support by approximately [REDACTED] over a five year period. For a small, rural ILEC, this represents a significant support reduction. A limited waiver of Section 51.917 (b)(ii) is requested in order to allow a correction to the Company's base period revenue that was initially certified for its 2012 annual access filing completed by NECA and to correct the amount for the 2013 and beyond access filings.

Please address any correspondence regarding this transmittal to the attention to Dan Davis at the address, e-mail, and telephone number:

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