

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
A National Broadband Plan for Our Future)	GN Docket No. 09-51
)	
Establishing Just and Reasonable Rates for Local Exchange Carriers)	WC Docket No. 07-135
)	
High-Cost Universal Service Support)	WC Docket No. 05-337
)	
Developing an Unified Intercarrier Compensation Regime)	CC Docket No. 01-92
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Lifeline and Link-Up)	WC Docket No. 03-109
)	
Universal Service Reform – Mobility Fund)	WT Docket No. 10-208

EMERGENCY REQUEST FOR EXPEDITED TREATMENT

**PETITION OF BIG BEND TELEPHONE COMPANY, BRAZORIA TELEPHONE
COMPANY, EASTEX TELEPHONE COOPERATIVE, INC., INDUSTRY TELEPHONE
COMPANY, LIVINGSTON TELEPHONE COMPANY, INC., MID-PLAINS RURAL
TELEPHONE COOPERATIVE, INC., RIVIERA TELEPHONE COMPANY, INC., AND
VALLEY TELEPHONE COOPERATIVE, INC.
FOR LIMITED WAIVER OF 47 C.F.R. § 51.917(c)**

Pursuant to Section 1.3 of the rules of the Federal Communications Commission (“FCC” or “Commission”),¹ Big Bend Telephone Company (“Big Bend”), Brazoria Telephone Company (“Brazoria”), Eastex Telephone Cooperative, Inc. (“Eastex”), Industry Telephone Company

¹ 47 C.F.R. § 1.3.

(“Industry”), Livingston Telephone Company, Inc. (“Livingston”), Mid-Plains Rural Telephone Cooperative, Inc. (“Mid-Plains”), Riviera Telephone Company, Inc. (“Riviera”), and Valley Telephone Cooperative, Inc. (“Valley”) (jointly referred to herein as “Petitioners” or “Texas ILEC Petitioners”) hereby request a limited waiver of 47 C.F.R. Section 51.917(c).² As explained herein, Petitioners seek to include amounts owed by Halo Wireless, Inc. (“Halo”) in Fiscal Year 2011 in the Petitioners’ Carrier Base Period Revenues. Exclusion of the amounts owed to Petitioners in the Carrier Base Period Revenues has an adverse impact on the Petitioners’ recovery mechanism funding, which in turn has challenged Petitioners by limiting their ability to invest in and improve their networks. Petitioners seek to include these amounts, which were billed to Halo but not collected by March 31, 2012, in the Base Period Revenue effective July 1, 2012. The Commission has good cause to grant the Petitioners’ request, and furthermore grant of this waiver is squarely in the public interest and is the appropriate course of action to meet the objectives of the November 2011 *USF/ICC Transformation Order*. Petitioners respectfully request emergency expedited attention to this matter.

I. BACKGROUND

Each of the Petitioners is a rural incumbent local exchange carrier (“RLEC”) operating within rural areas of Texas. While the Petitioners vary in size, all of the Petitioners provide high quality voice and broadband telecommunications services to their customers and all are providers of last resort throughout their designated study areas in Texas. Collectively, the Petitioners have been deprived of over \$460,000 that should have been included in their Base Period Revenue.

² *Id.* at 51.917(c).

- **Big Bend Telephone Company** is headquartered in Alpine, Texas and provides service to approximately 5,000 access lines within fourteen exchanges in the Midland Local Access Transport Area (“LATA”) in some of the most remote areas of West Texas—and of the United States. Big Bend’s service area is approximately 18,000 square miles and sparsely populated, with less than 0.3 subscribers per mile including the beautiful Big Bend National Park. As further addressed below, Big Bend requests a Base Period Revenue adjustment of \$27,693.61 associated with Halo’s uncollectible intrastate revenues.
- **Brazoria Telephone Company** is one of the oldest telephone companies in Texas and can trace its roots back to the 1890s. Brazoria’s service area within the Houston LATA is approximately 290 square miles near the Gulf of Mexico where it provides service to just over 4,000 access lines within two exchanges. Herein, Brazoria requests a Base Period Revenue adjustment of \$52,432.67.
- **Eastex Telephone Cooperative, Inc.** was established in 1950 to provide service in areas near the eastern edge of Texas that were unable to receive telephone service from any other company. Eastex is headquartered in Henderson, TX and now serves over 20,000 access lines in twenty-one exchanges across eleven counties spread over its rural non-contiguous study area in the Houston and Longview LATAs. Eastex requests a Base Period Revenue adjustment of \$221,621.47.
- **Industry Telephone Company** of Industry, TX traces its roots back to 1911 when the telephone switchboard was housed in the H.H. Boelsche Saloon and today serves approximately 2,100 access lines in three exchanges within the Houston LATA. Herein, Industry requests a Base Period Revenue adjustment of \$6,346.79.

- **Livingston Telephone Company, Inc.** was formed in 1903 and was the first public utility in Polk County, TX. Livingston currently provides service to nearly 6,000 access lines within the piney woods of East Texas in the northern part of the Houston LATA. Livingston requests a Base Period Revenue adjustment of \$56,351.26.
- **Mid-Plains Rural Telephone Cooperative** was organized in 1950 during an organizational meeting held at the Tulia High School Auditorium and has expanded over the years to include ten exchanges within the Amarillo and Lubbock LATAs with over 2,600 access lines covering 3,136 square miles in the Panhandle of Texas. Through this petition, Mid-Plains requests a Base Period Revenue adjustment of \$19,111.71.
- **Riviera Telephone Company, Inc.** was founded in 1910 and provides service to over 1,000 access lines in four exchanges in rural South Texas within the Corpus Christi LATA. Riviera requests a Base Period Revenue adjustment of \$5,601.29 associated with Halo's uncollectible intrastate revenues.
- **Valley Telephone Cooperative, Inc.** located in the Rio Grande Valley, was founded in 1952 with the purpose of providing telephone service to rural subscribers deemed unfeasible by larger telephone companies. Valley covers 7,300 square miles and serves approximately 5,000 access lines spread out across the San Antonio, Corpus Christi, and Brownsville LATAs. Valley requests a Base Period Revenue adjustment of \$71,703.11 through this petition.

All of the Petitioners serve high-cost, rural, remote, and challenging areas of the country—from low-income areas to vast stretches of the U.S.-Mexico border to regions with extremely rugged terrain. The Petitioners all strive to deliver modern and reliable

communications services to customers that would likely have no (or very few) alternative providers. The Petitioners rely on predictable and sufficient Universal Service Fund (“USF”) support and intercarrier compensation (“ICC”) mechanisms to deliver quality voice and data services at reasonable costs to consumers. Given the Petitioners size and remote and challenging service areas, predictable and sufficient support is imperative to their ability to continue providing quality services at reasonable costs—the series of unfortunate events described herein undermines and frustrates their mission.

These unfortunate events involving Halo led to the Petitioners’ decision to file this Petition and seek relief from the adverse impact on their recovery funding mechanism caused by the uncollected amounts owed to them by Halo. The events described below have produced a recurring penalty for the Petitioners, as they will never receive the amounts owed by Halo *and* the negative annual impact on the Petitioners’ recovery mechanism funding puts them in a precarious position where seeking relief from the Commission is the only viable option left at this point. Petitioners were victims of Halo’s bankruptcy, the impact of which is further amplified by their inability to include the amounts billed to Halo in their Base Period Revenues, leaving them deprived of both revenue that they should have collected from Halo and fairly assessed recovery mechanism funding going forward. Petitioners have no choice but to utilize the Commission’s waiver process to seek fairly assessed recovery mechanism funding so that the damage caused by Halo’s unpaid intrastate intercarrier compensation charges does not reoccur every year.

The Petitioners initially began terminating Halo’s traffic around August of 2010, and then began billing Halo for terminating intrastate access traffic pursuant to the rates, terms and conditions set forth in the applicable approved intrastate access tariffs. Petitioners also sought to

interconnect with Halo pursuant to the applicable interconnection rules between ILECs and Commercial Mobile Radio Service (“CMRS”) providers. Halo subsequently refused to pay all intercarrier compensation charges to every Petitioner.³ Halo erroneously argued that because it was a CMRS provider, all of its traffic delivered to the Petitioners was intraMTA CMRS and that no compensation was due for transport and termination of its traffic, which resulted in numerous disputes with ILECs that have been documented extensively in FCC and various state commission proceedings. In the *USF/ICC Transformation Order*, the FCC rejected Halo’s claim that its traffic was intraMTA CMRS, stating “We clarify that a call is considered to be originated by a CMRS provider for purposes of the intraMTA rule only if the calling party initiating the call has done so through a CMRS provider;” and “we agree with NECA that the ‘re-origination’ of a call over a wireless link in the middle of the call path does not convert a wireline-originated call into a CMRS-originated call for the purposes of reciprocal compensation and we disagree with Halo’s contrary position.”⁴

The Petitioners pursued complaint cases before the Public Utility Commission of Texas (“Texas Commission”) under state law and arbitration cases under federal law against Halo in an effort to stop Halo’s arbitrage scheme in the spring and summer of 2011. The Texas Commission consolidated those arbitration cases for purposes of hearing. However, before all of the rural ILECs were able to file for arbitration due to the arbitration window under Federal

³ Each Petitioner participated in an arbitration proceeding against Halo before the Public Utility Commission of Texas and presented evidence regarding Halo’s terminating usage and the appropriate intercarrier compensation due for such traffic. Within this proceeding, the Texas Commission’s arbitrators determined that the Petitioners had properly jurisdictionalized Halo’s traffic and applied the appropriate rates for each jurisdiction, which forms the basis of the Petitioners’ claim herein. See *Petition of Eastex Telephone Cooperative, Inc. for Compulsory Arbitration with Halo Wireless, Inc. Under the Federal Telecommunications Act Relating to Interconnection Rates, Terms and Conditions, Docket No. 40032 (Consolidated), Arbitration Award, (Sept. 25, 2012)*.

⁴ See *Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) (“USF/ICC Transformation Order”)*, *pets. for review pending sub nom. In re: FCC 11-161, No. 11-9900 (10th Cir. filed Dec. 8, 2011)*. ¶ 1006.

Telecommunications Act of 1996 (“FTA”) Section 252, Halo filed for bankruptcy on August 8, 2011 thereby temporarily staying all regulatory proceedings against Halo until the bankruptcy court was able to hear arguments and lift the stay. Halo also sought to delay resolution of the cases pending before the Texas Commission by requesting stays in both federal and district court, including an appeal to the 5th Circuit Court of Appeals, all of which were ultimately denied, but were time and resource intensive amplifying the hardship on the Petitioners through increased legal fees. In the spring of 2012, after Halo had exhausted its avenues for judicial delays, the Texas Commission was finally able to hold a hearing on the merits and testimony was presented in the pending arbitration cases. In September of 2012, a final Arbitration Award was released resolving the arbitration cases including the forward-looking interconnection agreements, but Halo had been forced from Chapter 11 to Chapter 7 bankruptcy and the Texas Commission dismissed the case because, at that point, Halo had ceased operations and its assets were being liquidated, negating the need for a forward-looking final interconnection agreement between the parties.

To further aggravate the difficulties in collecting billed intercarrier compensation fees from Halo, it appears that Halo’s estate lacks assets to pay the amounts owed to the Petitioners that were harmed. Petitioners cannot simply get in line and wait for a reasonable settlement because the Commission required that all revenues included in calculating Base Period Revenue had to be collected before March 31, 2012. Accordingly, the negative revenue impact associated with Halo’s unpaid debt has ultimately created an unfair annual revenue hit for each of the Petitioners. The Petitioners have no alternative recourse but to seek waivers from the Commission, and as explained below, the Commission has good cause to grant these waivers.

II. GOOD CAUSE EXISTS TO GRANT PETITIONERS' REQUESTED WAIVER

In general, the FCC's rules may be waived for good cause shown.⁵ Waiver is appropriate where the "particular facts would make strict compliance inconsistent with the public interest."⁶ The FCC may grant a waiver of its rules where the requested relief would not undermine the policy objective of the rule in question, special circumstances warrant a deviation from the general rule, and such deviation will serve the public interest.⁷

The Commission anticipated that there would be circumstances similar to this where revenues associated with FY 2011 were not able to be collected by March 31, 2012 and allowed for a waiver of the March 31, 2012 deadline in its *USF/ICC Transformation Order*.⁸

Specifically, the Commission stated:

Carriers may, however, request a waiver of our rules defining the Baseline to account for revenues billed for terminating switched access service or reciprocal compensation provided in FY2011 but recovered after the March 31, 2012 cut-off as the result of the decision of a court or regulatory agency of competent jurisdiction. The adjusted Baseline will not include settlements regarding changes after the March 31, 2012 cut-off, and any carrier requesting such modifications to its Baseline shall, in addition to otherwise satisfying the waiver criteria, have the burden of demonstrating that the revenues are not already in its Baseline, including providing a certification to the Commission to that effect. Any request for a waiver should also include a copy of the decision requiring payment of the disputed intercarrier compensation. Any such waiver would be subject to the Commission's traditional "good cause" waiver standard, rather than the Total Cost Earnings Review specified below.

⁵ 47 C.F.R. § 1.3.

⁶ See *AT&T Wireless Services, Inc. et al. v. Federal Communications Commission*, No. 00-1304 (D.C. Cir. 2001), citing *Northeast Cellular Tel. Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) ("*Northeast Cellular*").

⁷ See generally, *WAIT Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969), cert. denied, 409 U.S. 1027 (1972); see also *Northeast Cellular* (D.C. Cir. 1990).

⁸ See *USF/ICC Transformation Order* at footnote 1745.

The overall purpose of this waiver petition is consistent as it would allow the Petitioners to include revenues associated with FY 2011 that were billed to Halo but not collected due to Halo's bankruptcy which was beyond the Petitioners' control, as outlined above.

Petitioners' argument for good cause is furthermore supported by two other similar pending waiver petitions by other ILECs. TDS Telecommunications Corp. ("TDS Telecom") filed a petition for a limited waiver "to permit TDS Telecom to include within its Base Period Revenues unpaid amounts billed to Halo for intrastate usage during Fiscal Year 2011, thereby rendering those amounts eligible for recovery pursuant to the Commission's eligible recovery mechanism."⁹ Like each of the Petitioners, TDS Telecom does not ever expect to collect the amounts it billed to Halo as a result of Halo's bankruptcy and subsequent liquidation of assets. TDS Telecom asserts that "fundamental fairness and the public interest dictate that the Commission waive its rules in this specific scenario," and the FCC "could not have predicted every permutation through which a carrier such as Halo would develop an elaborate scheme to avoid paying access charges in a way that would have such potential long-term revenue ramifications...due to the nature of the eligible recovery mechanism."¹⁰ The Petitioners echo these statements and emphasize that the loss created by Halo's refusal to pay applicable intercarrier compensation charges unfortunately occurred at a time when the FCC was making monumental changes to the USF and ICC mechanisms and therefore constitutes good cause in favor of granting Petitioners' requested relief.

⁹ See Petition of TDS Telecommunications Corp. for Limited Waiver of 47 C.F.R. § 51.917(c), WC Docket No. 10-90 *et al.* (filed Aug. 10, 2012) ("TDS Petition") at 2.

¹⁰ *Id.* at pg. 3-4 and 12.

Likewise, three small Oklahoma ILECs (Cimarron Telephone Company, Cross Telephone Company, and Pottawatomie Telephone Company) filed a similar petition, arguing that “Halo’s scam distorts the 2011 Base Period Revenue rules’ impact on the Petitioners, cutting their future support and crippling their network investment,” and insisting that “the statutory goal of universal service—promoting and assuring the availability of quality services at just, reasonable, and affordable rates in rural areas—will be significantly compromised by strict adherence to the 2011 Base Period Revenue rules.”¹¹ Like the three Oklahoma ILECs, these Petitioners in Texas are seeking relief from the Commission as there are no alternatives for reversing the financial damages caused by Halo’s deliberate acts. The Texas Petitioners agree with the Oklahoma ILECs that “Excluding the lost revenues unfairly penalizes Petitioners for the sole reason that they had the misfortune of being subject to an arbitrage scam that coincided with the 2011 Base Period.”¹² Additionally, the Petitioners are aware that one of the ILECs who participated in the arbitration cases against Halo at the Texas Commission alongside of the Petitioners has sought similar relief based on the Texas Commission’s arbitration award.¹³ The United States Telecom Association (“USTelecom”) filed comments in support of the Oklahoma ILECs wherein USTelecom states that “the Petitioners and *all other similarly situated carriers* should be able to include the 2011 ICC payments Halo owes in their Eligible Recovery baseline revenues” (emphasis added).¹⁴

¹¹ See Petition of Cimarron Telephone Company, Cross Telephone Company, and Pottawatomie Telephone Company for Limited Waiver of 47 C.F.R. § 51.917(c), WC Docket No. 10-90 *et al.* (filed Nov. 19, 2012) (“Oklahoma ILEC Petition”) at iv.

¹² *Id.* at 9.

¹³ See Petition of Guadalupe Valley Telephone Cooperative, Inc. for Limited Waiver of 47 C.F.R. § 51.917(c), WC Docket No. 10-90 *et al.* (filed March 6, 2014).

¹⁴ See Comments of the United States Telecom Association WC Docket No. 10-90 *et al.* (filed Jan. 2, 2013) (“USTelecom Comments”) at 1.

The loss imposed on Petitioners by the combined effects of Halo’s unpaid intrastate charges and the prospect of basing all future years’ recovery mechanism funding on a lower amount than it should be based upon is indeed real. The resulting negative impacts on network investment in future years and ultimately on the services delivered to the Petitioners’ customers will be significant if the petition is not granted. Grant of this waiver is in the public interest. The Base Period Revenue is a critical starting point to calculate Eligible Recovery and is part of the transitional recovery mechanism established by the Commission expressly to mitigate the impact of *USF/ICC Transformation Order* on carrier revenues and investments. Grant of this limited waiver would allow the initial calculation of Eligible Recovery to accurately represent the Petitioners’ FY 2011 Base Period Revenues. Further, grant of the limited waiver would serve the public interest in that the Petitioners would be able to continue to provide high quality telecommunications services to their customers consistent with the FCC’s National Broadband Plan, USF Reform, and IP Transition goals while having the benefit of the transitional recovery mechanism to the full extent intended by the Commission.

III. REQUESTED RELIEF

For the reasons stated above, pursuant to Section 1.3 of the Commission’s rule, Petitioners hereby respectfully request that the Commission include the following amounts in their Base Period Revenue, which was the amount that the Public Utility Commission of Texas determined was owed to each of the Petitioners as detailed in Attachment A.

<u>Petitioner</u>	<u>Base Period Revenue Adjustment</u>
Big Bend Telephone Company	\$27,693.61
Brazoria Telephone Company	\$52,432.67
Eastex Telephone Cooperative, Inc.	\$221,621.47
Industry Telephone Company	\$6,346.79

Livingston Telephone Company, Inc.	\$56,351.26
Mid-Plains Rural Telephone Cooperative, Inc.	\$19,111.71
Riviera Telephone Company, Inc.	\$5,601.29
Valley Telephone Cooperative, Inc.	\$71,703.11

Petitioners requests that these amounts be included retroactively in the Base Period Revenue effective as of July 1, 2012. The Petitioners have shown good cause for the Commission to grant this limited waiver, and urges the Commission to expeditiously address the petition.

Respectfully submitted,

TEXAS ILEC PETITIONERS

/s/ Russell A. Moore

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Rusty Dorman
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/s/ Robin Marek

Robin Marek
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/s/ Gene Ainsworth

Gene Ainsworth
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/s/ Rick Hurt

Rick Hurt
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/s/ Bill Colston, Jr.

Bill Colston, Jr.
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/s/ Leonard Beurer

Leonard Beurer
Chief Financial Officer
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Phone: 956-642-1108

Filed March 14, 2014

Attachments

AFFIDAVIT OF WESLEY ROBINSON

STATE OF TEXAS

§

COUNTY OF TRAVIS

§

§

BEFORE ME, the undersigned authority on this 13th day of March, 2014, personally appeared Wesley Robinson, who being by me duly sworn on oath deposed and said:

1. My name is Wesley Robinson and I am employed by JSI as a Manager of Regulatory Affairs. In my position with JSI, I was engaged by a group of small rural Incumbent Local Exchange Carriers (“ILECs”) to attempt to negotiate interconnection agreements with Halo Wireless, Inc. (“Halo”) and was later engaged to testify as an expert witness before the Public Utility Commission of Texas (“PUCT”) in an arbitration case between Halo and this group of small ILECs.¹
2. I am over 18 years of age and authorized to make the statements herein.
3. The facts stated in the foregoing Petition of Big Bend Telephone Company, Brazoria Telephone Company, Eastex Telephone Cooperative, Inc., Industry Telephone Company, Livingston Telephone Company, Inc., Mid-Plains Rural Telephone Cooperative, Inc., Riviera Telephone Company, Inc., and Valley Telephone Cooperative, Inc. (jointly referred to herein as “Petitioners”) for Limited Waiver of 47 C.F.R. § 51.917(c) are true and correct. Specifically, the attached calculations accurately reflect the proper jurisdictionalization of Halo’s terminating minutes of use and the proper application of rates as determined by the PUCT’s Arbitration Award in Docket No. 40032 (consolidated) for Halo’s traffic terminated by Petitioners between October 1, 2010 and September 30, 2011.

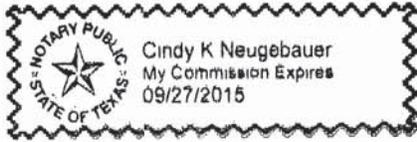
FURTHER AFFIANT SAYETH NOT.



Wesley Robinson, Manager – Regulatory Affairs

¹ *Petition of Eastex Telephone Cooperative, Inc. for Compulsory Arbitration with Halo Wireless, Inc. Under the Federal Telecommunications Act Relating to Interconnection Rates, Terms and Conditions*, Docket No. 40032 (Consolidated), Arbitration Award, (Sept. 25, 2012).

SUBSCRIBED AND SWORN TO BEFORE ME on this 13th day of March 2014, to certify which witness my hand and seal of office.



Cindy K. Neugebauer
Notary Public in and for
the State of Texas

Big Bend Telephone Company

Month	MOUs			Composite Rates			Revenues			Total
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	
Oct-10	0	49,844	102,012	0.01378	0.07384	0.05940	\$0.00	\$3,680.48	\$6,059.51	\$9,739.99
Nov-10	0	42,298	86,568	0.01378	0.07384	0.05940	\$0.00	\$3,123.28	\$5,142.14	\$8,265.42
Dec-10	0	33,904	69,389	0.01378	0.07384	0.05940	\$0.00	\$2,503.47	\$4,121.71	\$6,625.18
Jan-11	0	23,517	48,130	0.01378	0.07384	0.05940	\$0.00	\$1,736.50	\$2,858.92	\$4,595.42
Feb-11	0	9,919	20,301	0.01378	0.07384	0.05940	\$0.00	\$732.42	\$1,205.88	\$1,938.30
Mar-11	0	10,230	20,937	0.01378	0.07384	0.05940	\$0.00	\$755.38	\$1,243.66	\$1,999.04
Apr 1-14, 2011	0	6,503	13,309	0.01378	0.07384	0.05940	\$0.00	\$480.18	\$790.55	\$1,270.74
Apr 15-30, 2011	15,483	13,004	26,613	0.01378	0.07384	0.05940	\$213.36	\$960.22	\$1,580.81	\$2,754.38
May-11	42,328	35,549	72,755	0.01378	0.07384	0.05940	\$583.28	\$2,624.94	\$4,321.65	\$7,529.87
Jun-11	34,596	29,056	59,466	0.01378	0.07384	0.05940	\$476.73	\$2,145.50	\$3,532.28	\$6,154.51
Jul-11	25,700	21,584	44,174	0.01378	0.07384	0.05940	\$354.15	\$1,593.76	\$2,623.94	\$4,571.84
8/1/2011 (pre)	8,642	7,258	14,855	0.01378	0.07384	0.06004	\$119.09	\$535.93	\$891.89	\$1,546.91
8/11/2011 (post)	762	31,455	53,947	0.01448	0.07384	0.06004	\$11.03	\$2,322.64	\$3,238.98	\$5,572.65
Sep-11	1,701	36,791	72,515	0.01448	0.07384	0.06004	\$24.63	\$2,716.65	\$4,353.80	\$7,095.08

\$1,782.27 \$25,911.34 \$41,965.72 \$69,659.33

Total Eligible Recovery Amount (Local + Intrastate)

\$27,693.61

Brazoria Telephone Company

Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	89,884	89,884	0.00802	0.04776	0.04090	\$0.00	\$4,292.86	\$3,676.26	\$7,969.12
Nov-10	0	90,386	90,386	0.00802	0.04776	0.04090	\$0.00	\$4,316.84	\$3,696.79	\$8,013.62
Dec-10	0	92,960	92,960	0.00802	0.04776	0.04090	\$0.00	\$4,439.77	\$3,802.06	\$8,241.83
Jan-11	0	62,488	62,488	0.00802	0.04776	0.04090	\$0.00	\$2,984.43	\$2,555.76	\$5,540.19
Feb-11	0	41,994	41,994	0.00802	0.04776	0.04090	\$0.00	\$2,005.63	\$1,717.55	\$3,723.19
Mar-11	0	81,286	81,286	0.00802	0.04776	0.04090	\$0.00	\$3,882.22	\$3,324.60	\$7,206.82
Apr-11	0	92,247	92,247	0.00802	0.04776	0.04090	\$0.00	\$4,405.72	\$3,772.90	\$8,178.62
May-11	0	136,068	136,068	0.00802	0.04776	0.04090	\$0.00	\$6,498.61	\$5,565.18	\$12,063.79
Jun-11	0	104,792	104,792	0.00802	0.04776	0.04090	\$0.00	\$5,004.87	\$4,285.99	\$9,290.86
Jul-11	0	112,344	112,344	0.00802	0.04776	0.04833	\$0.00	\$5,365.55	\$5,429.59	\$10,795.13
8/1/2011 (pre)	0	0	0	0.00823	0.04776	0.04833	\$0.00	\$0.00	\$0.00	\$0.00
8/1/2011 (post)	135,281	60,305	90,469	0.00823	0.04776	0.04833	\$1,113.36	\$2,880.17	\$4,372.37	\$8,365.90
Sep-11	204,131	74,595	113,743	0.00823	0.04776	0.04833	\$1,680.00	\$3,562.66	\$5,497.20	\$10,739.85
							\$2,793.36	\$49,639.31	\$47,696.25	\$100,128.91

Total Eligible Recovery Amount (Local + Intrastate)

\$52,432.67

Eastex Telephone Cooperative, Inc.

Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	0	0	0.00682	0.05259832	0.03974	\$0.00	\$0.00	\$0.00	\$0.00
Nov-10	0	450,123	450,122	0.00682	0.05259832	0.03974	\$0.00	\$23,675.71	\$17,887.85	\$41,563.56
Dec-10	0	462,576	462,576	0.00682	0.05259832	0.03974	\$0.00	\$24,330.72	\$18,382.77	\$42,713.49
Jan-11	0	272,838	272,838	0.00682	0.05259832	0.03974	\$0.00	\$14,350.82	\$10,842.58	\$25,193.40
Feb-11	0	245,728	245,727	0.00682	0.05259832	0.03974	\$0.00	\$12,924.88	\$9,765.19	\$22,690.07
Mar-11	0	386,228	386,228	0.00682	0.05259832	0.03974	\$0.00	\$20,314.94	\$15,348.70	\$35,663.64
Apr-11	0	437,607	437,606	0.00682	0.05259832	0.03974	\$0.00	\$23,017.39	\$17,390.46	\$40,407.86
May-11	0	391,768	391,768	0.00682	0.05259832	0.03974	\$0.00	\$20,606.34	\$15,568.86	\$36,175.20
Jun-11	0	355,292	355,292	0.00682	0.05259832	0.03974	\$0.00	\$18,687.76	\$14,119.30	\$32,807.07
Jul-11	0	429,186	429,185	0.00656	0.05259832	0.03974	\$0.00	\$22,574.46	\$17,055.81	\$39,630.27
8/1/2011 (pre)	0	93,073	93,073	0.00656	0.05259832	0.03974	\$0.00	\$4,895.48	\$3,698.72	\$8,594.20
8/1/2011 (post)	195,383	237,756	313,492	0.00656	0.05259832	0.043561	\$1,281.71	\$12,505.57	\$13,656.03	\$27,443.30
Sep-11	362,371	381,733	519,256	0.00656	0.05259832	0.043561	\$2,377.15	\$20,078.51	\$22,619.31	\$45,074.98
							\$3,658.87	\$217,962.60	\$176,335.59	\$397,957.05

Total Eligible Recovery Amount (Local + Intrastate)

\$221,621.47

Industry Telephone Company

Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	19,452	15,104	0.00902	0.02795	0.04403		\$543.68	\$665.03	\$1,208.71
Nov-10	0	34,750	26,983	0.00902	0.02795	0.04403		\$971.26	\$1,188.06	\$2,159.32
Dec-10	0	26,486	20,566	0.00902	0.02795	0.04403		\$740.28	\$905.52	\$1,645.80
Jan-11	0	16,554	12,853	0.00902	0.02795	0.04403		\$462.68	\$565.92	\$1,028.60
Feb-11	2,324	18,821	14,614	0.00902	0.02795	0.04403	\$20.96	\$526.05	\$643.45	\$1,190.46
Mar-11	2,790	15,137	11,754	0.00902	0.02795	0.04403	\$25.17	\$423.08	\$517.53	\$965.77
Apr-14	1,912	10,376	8,057	0.00902	0.02795	0.04403	\$17.25	\$290.01	\$354.75	\$662.01
May-14	2,299	12,475	9,687	0.00902	0.02795	0.04403	\$20.74	\$348.68	\$426.52	\$795.93
Jun-14	2,136	11,590	8,999	0.00902	0.02795	0.04403	\$19.27	\$323.94	\$396.23	\$739.43
Jul-11	959	5,200	4,038	0.00902	0.02795	0.04403	\$8.65	\$145.34	\$177.79	\$331.78
8/1/2011 (pre)	1,615	8,764	6,805	0.00902	0.02795	0.04403	\$14.57	\$244.95	\$299.62	\$559.15
8/11/2011 (post)	4,650	16,834	18,567	0.01378	0.02795	0.04403	\$64.08	\$470.51	\$817.51	\$1,352.09
Sep-11	5,574	20,928	27,008	0.01448	0.02795	0.05632	\$80.71	\$584.94	\$1,521.09	\$2,186.74
							\$271.38	\$6,075.41	\$8,479.02	\$14,825.81

Total Eligible Recovery Amount (Local + Intrastate)

\$6,346.79

Livingston Telephone Company, Inc.

Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	97,998	97,997	0.00646	0.05241	0.01642	\$0.00	\$5,136.08	\$1,609.11	\$6,745.19
Nov-10	0	137,786	137,786	0.00646	0.05241	0.01642	\$0.00	\$7,221.36	\$2,262.45	\$9,483.81
Dec-10	0	118,754	118,753	0.00646	0.05241	0.01642	\$0.00	\$6,223.90	\$1,949.92	\$8,173.82
Jan-11	0	88,129	88,128	0.00646	0.05241	0.01642	\$0.00	\$4,618.84	\$1,447.06	\$6,065.90
Feb-11	0	79,572	79,571	0.00646	0.05241	0.01642	\$0.00	\$4,170.37	\$1,306.56	\$5,476.92
Mar-11	0	55,179	55,179	0.00646	0.05241	0.01642	\$0.00	\$2,891.93	\$906.04	\$3,797.97
Apr-11	0	100,424	100,424	0.00646	0.05241	0.01642	\$0.00	\$5,263.22	\$1,648.96	\$6,912.18
May-11	0	100,825	100,824	0.00646	0.05241	0.01642	\$0.00	\$5,284.24	\$1,655.53	\$6,939.77
Jun-11	0	86,360	86,360	0.00646	0.05241	0.01642	\$0.00	\$4,526.13	\$1,418.03	\$5,944.16
Jul-11	0	62,888	62,888	0.00646	0.05241	0.01642	\$0.00	\$3,295.96	\$1,032.62	\$4,328.58
8/1/2011 (pre)	0	0	0	0.00646	0.05241	0.01642	\$0.00	\$0.00	\$0.00	\$0.00
8/1/2011 (post)	17,605	47,822	44,920	0.00635	0.05241	0.01656	\$111.79	\$2,506.35	\$743.88	\$3,362.02
Sep-11	18,170	95,129	89,912	0.00635	0.05241	0.01656	\$115.38	\$4,985.71	\$1,488.94	\$6,590.03
							\$227.17	\$56,124.09	\$17,469.10	\$73,820.36

Total Eligible Recovery Amount (Local + Intrastate)

\$56,351.26

Mid-Plains Telephone Cooperative, Inc.

Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	21,398	21,398	0.00523	0.06793	0.04391		\$1,453.53	\$939.56	\$2,393.10
Nov-10	0	25,745	25,745	0.00523	0.06793	0.04391		\$1,748.82	\$1,130.44	\$2,879.26
Dec-10	0	23,526	23,526	0.00523	0.06793	0.04391		\$1,598.12	\$1,033.03	\$2,631.15
Jan-11	0	28,111	28,111	0.00523	0.06793	0.04391		\$1,909.55	\$1,234.33	\$3,143.88
Feb-11	0	23,447	23,447	0.00523	0.06793	0.04391		\$1,592.75	\$1,029.56	\$2,622.31
Mar-11	0	13,455	13,455	0.00523	0.06793	0.04391		\$913.96	\$590.79	\$1,504.75
Apr-11	0	17,701	17,701	0.00523	0.06793	0.04391		\$1,202.39	\$777.23	\$1,979.62
May-11	0	19,349	19,349	0.00523	0.06793	0.04391		\$1,314.38	\$849.61	\$2,163.99
Jun-11	0	19,703	19,703	0.00523	0.06793	0.04391		\$1,338.42	\$865.16	\$2,203.58
Jul-11	0	15,147	15,147	0.00523	0.06793	0.04391		\$1,028.90	\$665.08	\$1,693.99
8/1/2011 (pre)	0	15,046	15,046	0.00523	0.06793	0.04391		\$1,022.07	\$660.67	\$1,682.74
8/1/2011 (post)	762	16,941	3,811	0.00541	0.06793	0.0532	\$4.12	\$1,150.80	\$202.75	\$1,357.67
Sep-11	1,701	41,582	7,902	0.00541	0.06793	0.0532	\$9.20	\$2,824.67	\$420.39	\$3,254.25
							\$13.32	\$19,098.39	\$10,398.60	\$29,510.31

Total Eligible Recovery Amount (Local + Intrastate)

\$19,111.71

Riviera Telephone Company, Inc.

Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10		12,358	12,358	0.00663	0.06242	0.04534		\$771.36	\$560.29	\$1,331.64
Nov-10		13,288	13,288	0.00663	0.06242	0.04534		\$829.41	\$602.46	\$1,431.86
Dec-10		13,314	13,314	0.00663	0.06242	0.04534		\$831.06	\$603.66	\$1,434.72
Jan-11		12,602	12,602	0.00663	0.06242	0.04534		\$786.62	\$571.37	\$1,357.99
Feb-11		9,001	9,001	0.00663	0.06242	0.04534		\$561.84	\$408.11	\$969.95
Mar-11		7,198	7,198	0.00663	0.06242	0.04534		\$449.27	\$326.33	\$775.60
Apr-11		4,996	4,996	0.00663	0.06242	0.04534		\$311.82	\$226.50	\$538.32
May-11		5,111	5,111	0.00663	0.06242	0.04534		\$319.03	\$231.73	\$550.76
Jun-11		2,919	2,919	0.00663	0.06242	0.04534		\$182.20	\$132.35	\$314.55
Jul-11		4,172	4,172	0.00663	0.06242	0.04534		\$260.39	\$189.14	\$449.52
8/1/2011 (pre)		800	800	0.00663	0.06242	0.04534		\$49.94	\$36.27	\$86.21
8/1/2011 (post)	182	1,844	1,942	0.00685	0.06242	0.05906	\$1.25	\$115.10	\$114.69	\$231.04
Sep-11	146	2,099	3,361	0.00685	0.06242	0.05906	\$1.00	\$131.02	\$198.50	\$330.52
							\$2.25	\$5,599.04	\$4,201.39	\$9,802.68

Total Eligible Recovery Amount (Local + Intrastate)

\$5,601.29

Valley Telephone Cooperative, Inc.

Month	MOUs			Composite Rates			Revenues			
	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Local	Intrastate	Interstate	Total
Oct-10	0	124,609	124,609	0.01365	0.052511	0.05395	\$0.00	\$6,543.34	\$6,722.41	\$13,265.75
Nov-10	0	150,269	150,269	0.01365	0.052511	0.05395	\$0.00	\$7,890.78	\$8,106.71	\$15,997.49
Dec-10	0	124,542	124,542	0.01365	0.052511	0.05395	\$0.00	\$6,539.82	\$6,718.79	\$13,258.62
Jan-11	0	114,806	114,806	0.01365	0.052511	0.05395	\$0.00	\$6,028.58	\$6,193.55	\$12,222.13
Feb-11	0	87,039	87,039	0.01365	0.052511	0.05395	\$0.00	\$4,570.50	\$4,695.58	\$9,266.08
Mar-11	0	97,813	97,814	0.01365	0.052511	0.05395	\$0.00	\$5,136.26	\$5,276.87	\$10,413.13
Apr-11	0	115,534	115,535	0.01365	0.052511	0.05395	\$0.00	\$6,066.81	\$6,232.88	\$12,299.69
May-11	0	238,079	238,079	0.01365	0.052511	0.05395	\$0.00	\$12,501.77	\$12,843.89	\$25,345.65
Jun-11	0	77,735	77,735	0.01365	0.052511	0.05395	\$0.00	\$4,081.94	\$4,193.65	\$8,275.59
Jul-11	0	66,105	66,105	0.0106	0.052511	0.05395	\$0.00	\$3,471.24	\$3,566.23	\$7,037.47
8/1/2011 (pre)	0	22,759	22,760	0.0106	0.052511	0.05826	\$0.00	\$1,195.10	\$1,326.00	\$2,521.10
8/1/2011 (post)	31,335	42,129	63,194	0.0106	0.052511	0.05826	\$332.15	\$2,212.24	\$3,681.68	\$6,226.07
Sep-11	80,109	81,572	112,690	0.0106	0.052511	0.05826	\$849.16	\$4,283.43	\$6,565.32	\$11,697.90
							\$1,181.31	\$70,521.80	\$76,123.56	\$147,826.67

Total Eligible Recovery Amount (Local + Intrastate)

\$71,703.11