



EX PARTE OR LATE FILED

REDACTED – FOR PUBLIC INSPECTION

April 10, 2014

Ex Parte Notice

Accepted/Filed

Ms. Marlene H. Dortch, Secretary
 Federal Communications Commission
 445 12th Street, S.W.
 Washington, D.C. 20554

APR 10 2014

FCC Office of the Secretary

Re: *Connect America Fund, WC Docket No. 10-90; High-Cost Universal Service Support, WC Docket No. 05-337*

Dear Ms. Dortch:

On behalf of Rural Telephone Service d/b/a Nex-Tech (“Nex-Tech”), pursuant to the procedures outlined in the Third Protective Order adopted in the above referenced proceedings, please find enclosed for filing an original and one copy of the Public version of an Ex Parte Notice and attached confidential materials provided by Nex-Tech in the aforementioned dockets. A version containing confidential information is also being filed separately under seal with the Secretary's Office via hand-delivery. Finally, a copy of the Ex Parte Notice and the Public version of the enclosures have been submitted via ECFS.

Should you have any questions concerning the foregoing request, please contact the undersigned.

Sincerely,

/s/ Rhonda S. Goddard

Rhonda S. Goddard
 Chief Operating Officer, Regulated Services

Enclosures

No. of Copies rec'd 0+2
 List ABCDE

P.O. Box 158
 145 North Main
 Lenora, KS 67645

phone: 785.567.4281
 toll free: 877.567.7872
 fax: 785.567.4401



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Regulatory Uncertainty Concerns.

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cc: Commissioner Jessica Rosenworcel
Priscilla Argeris



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Priscilla Argeris

Organizational Quick Facts

Nex-Tech

CEO/General Manager: Jimmy Todd

Chief Operating Officer, Regulated Services: Rhonda S. Goddard

Chief Operating Officer, Competitive Services: Mike Pollock

Parent Company:

Rural Telephone Service Co., Inc., dba Nex-Tech

Incorporated: February 13, 1951

- A cooperative, owned by its members, with an elected seven-member Board, serving 39 exchange areas
- Owns 100% of Nex-Tech

Subsidiary: Nex-Tech, Inc.

Incorporated: July 7, 1989

Offices:

Parent Company Headquarters:

145 N. Main,

PO Box 158, Lenora, KS 67645

Telephone: 877.567.7872 or 785.567.4281

Fax: 785.567.4401

Subsidiary Headquarters:

2418 Vine, PO Box 339,

Hays, KS 67601

Telephone: 877.625.7872 or 785.625.7070

Fax: 785.625.4479

Additional Offices: Courtland, Dodge City, Downs, Great Bend, Hill City, Hoxie, Norton, Phillipsburg, Plainville, Osborne, Quinter, Russell, Salina, Smith Center, Stockton, WaKeeney

Web Site: www.nex-tech.com

300+ full-time employees

Services:

Provides a full line of voice, video, data and other communication services to 30,000 residential and business customers in more than 88 communities in 19 Kansas counties covering 9,300 square miles.

- Local Telephone Service
- Long Distance
- High-Speed Internet
- Digital TV
- Internet Service Provider for two companies
- Nex-Tech Directory Services - Publishes 4 Directories
- Multimedia Production
- Business Technology Solutions
 - Business Telephone Systems
 - Video Surveillance
 - Security Systems
 - Network Infrastructure and Monitoring
 - Cable & Wireless Networks
 - Data Security Services
 - Online Data Back-up
 - Cloud Services
 - Mobile Radio Services
 - Tower Construction & Maintenance



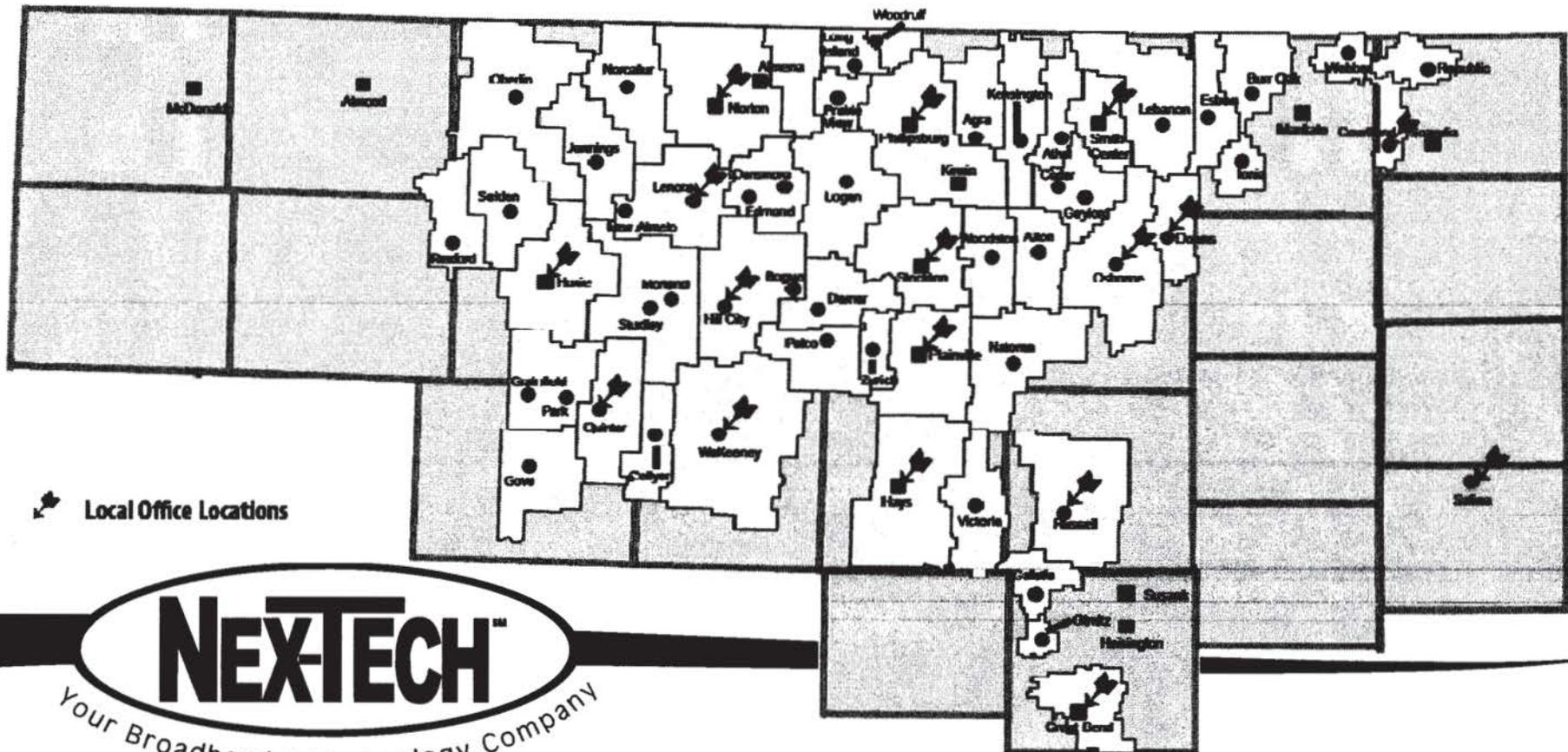
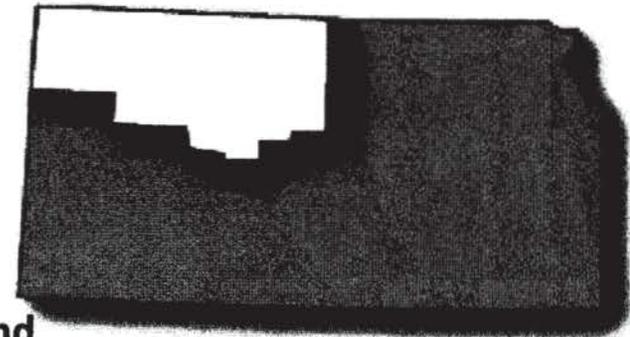


Exhibit A

- Rural Telephone incorporated in 1951; subsidiary operation, Nex-Tech, Inc., incorporated in 1989; collectively doing business as Nex-Tech.
- Nex-Tech currently employs 338 employees – 317 full-time and 21 part-time.
- Nex-Tech has 23,566 telephone access lines, and 24,985 broadband customers serving residents, businesses and community anchor institutions.
- Nex-Tech has built broadband infrastructure in more than a 9,300 square mile area in western Kansas, which is roughly the size of the State of Maryland. The service area extends 171 miles west to east and 118 miles north to south.

Nex-Tech Service Area

- 9,300 square miles; 6,000 + fiber miles
- 24,985 broadband customers
- 23,566 voice customers
- 88 communities & surrounding areas
- Provide service to anchor institutions in 19 counties and 54 communities
- Service area: 11% of Kansas and comparable in size to Maryland



Nex-Tech Service Area - Comparison





Exhibit B

- Nex-Tech provides 271 circuits to more than 110 wireless towers, serving 120 cell sites, utilized by all of the major nationwide wireless carriers. At the end of 2013, 31 tower sites have 100 Mbps connectivity. Wireless service will not work in much of central and western Kansas without Nex-Tech's fiber network.

Nex-Tech Service Area Including 10 Gig Transport Network and Cell Towers

Redacted Map



Exhibit C

- Since 2005, Nex-Tech has invested more than \$250 million in central and western Kansas.
- Nex-Tech's monumental investments in its broadband network have enabled residents, schools, libraries, hospitals, clinics, law enforcement agencies and senior/disability centers in central and western Kansas to tap the power of cutting-edge broadband technology.
 - Redacted bullet.
- In 2006, Nex-Tech's regulated operation acquired 10 rural exchanges from Sprint:
 - These exchanges were 99% unserved with broadband.
 - Borrowed funding from RUS, as well as utilized internal equity funds, to build 100% broadband-capable plant.
 - Achieved a 70% broadband take rate, which created economic development opportunities, jobs and brought young people back to central and western Kansas.
- In 2009, President Barack Obama announced the ARRA Broadband Initiatives Program:
 - Redacted bullet.

- Achieved a 70% broadband take rate in the communities and rural areas built with stimulus funding.
- Upon completion of the stimulus build, broadband services are now available to more than 9,300 square miles in remote, rural, central and western Kansas.
- To ensure everyone has access to the Internet, Nex-Tech provides free broadband and Wi-Fi services to every library in its footprint.
- Followed the President's initiative creating 50 jobs and bringing broadband to unserved and underserved rural areas.
- Listed as #38 out of '100 Recovery Act Projects That Are Changing America' in a September 2010 report published by Vice President Joe Biden.

Nex-Tech

Free Broadband/Wi-Fi Services to Libraries

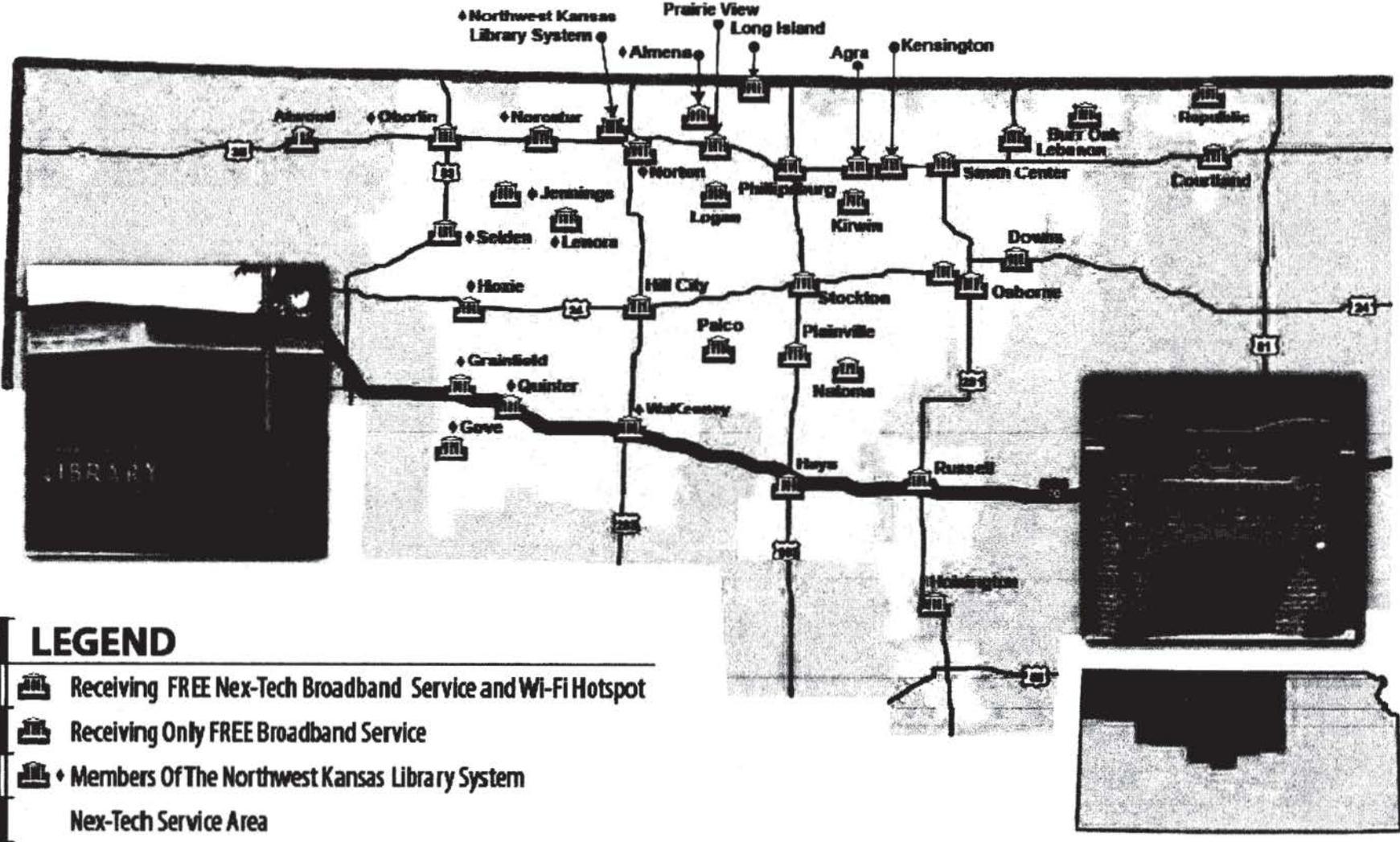




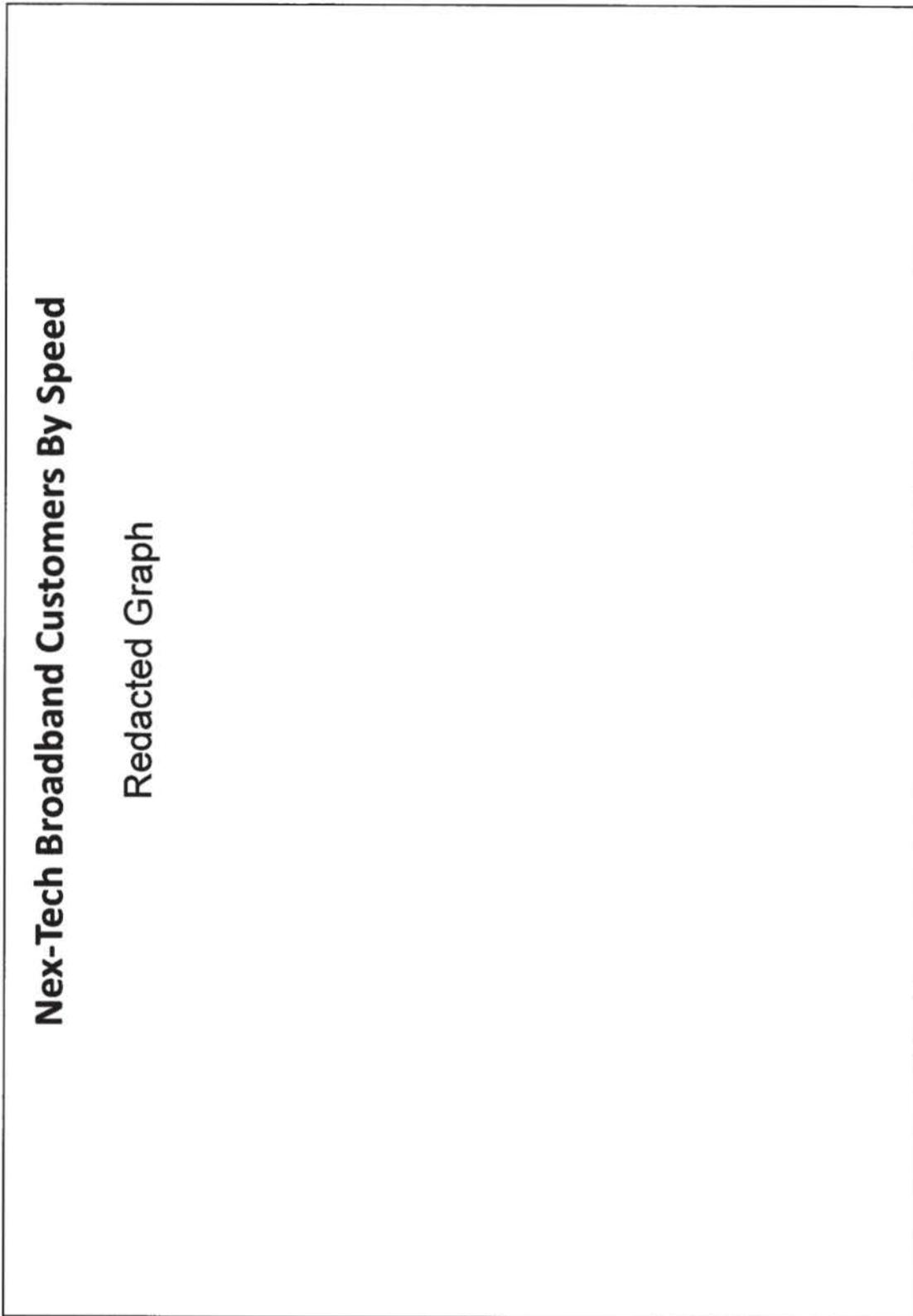
Exhibit D

➤ Broadband Speeds:

- Redacted bullet.
- Redacted bullet.
- Fort Hays State University in Hays, Kansas, is taking 2 Gbps service.
- Redacted bullet.

Nex-Tech Broadband Customers By Speed

Redacted Graph



Nex-Tech ILEC Access Lines

Redacted Graph



Nex-Tech CLEC Access Lines

Redacted Graph



**Nex-Tech Stand-Alone Broadband Customers
ILEC Areas
Redacted Graph**

**Nex-Tech Stand-Alone Broadband Customers
CLEC Areas
Redacted Graph**



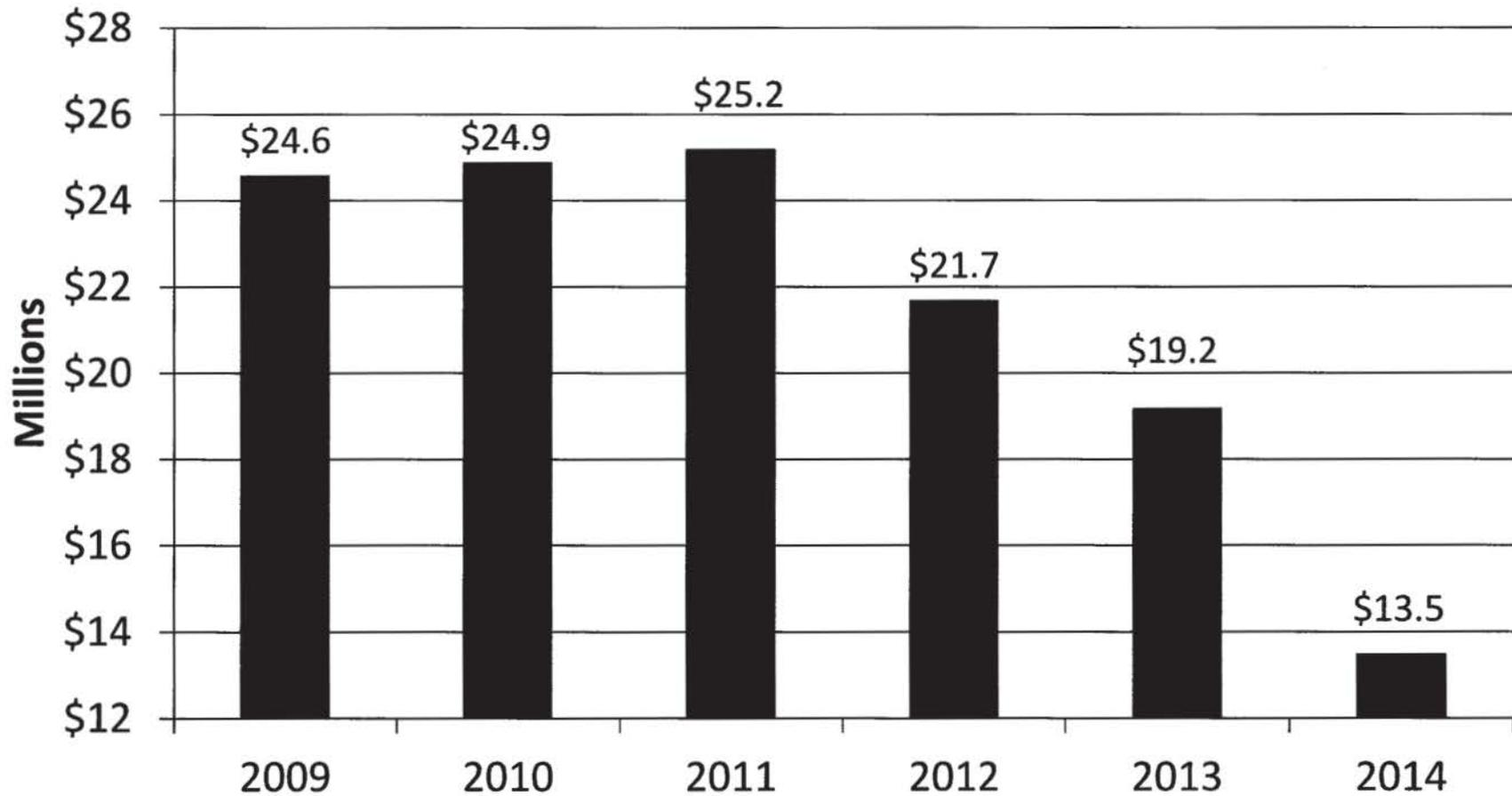
Exhibit E

➤ Recent Regulatory Issues:

- In March 2010, the FCC released the National Broadband Plan, which has resulted in a subsequent series of regulatory orders and rulemaking. These regulatory orders and rules have caused significant adverse impacts to the rural telecommunications industry.
- Universal Service revenue has been drastically reduced for Nex-Tech.
- The above changes will impact Nex-Tech's ability to provide affordable service in the rural areas of central and western Kansas.

Nex-Tech ILEC USF Revenues

Exhibit E



NEX-TECHSM

Your Broadband & Technology Company



Exhibit F

- Community and economic development initiatives have always been a cornerstone at Nex-Tech, resulting in multiple awards and recognition including:
 - Nex-Tech: Chosen for the Calix Decade of Excellence Award in October 2013; recognized as a pioneer in new services and network technologies over the past ten years.
 - Hays: Served by Nex-Tech Fiber-to-the-Premise, Hays was awarded “Smart Rural Community” in September 2013 by NTCA – The Rural Broadband Association.
 - Nex-Tech: Winner of the 2012 Governor’s Award of Excellence (given to the top business in the State of Kansas annually).
 - Osborne Industries: Winner of the 2010 Governor’s Exporter of the Year award in part due to the 75 Mbps bandwidth service provided to this enterprise by Nex-Tech.
 - Nex-Tech: Listed as #38 out of ‘100 Recovery Act Projects That Are Changing America’ in a September 2010 report published by Vice President Joe Biden.
 - Nex-Tech: Winner of the 2002 Economic Developer of the Year by the National Rural Economic Developers Association.