

July 7, 2014

**BY ELECTRONIC FILING**

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

Re: Steelville Telephone Exchange, Inc. Petition for Waiver of Section 54.313(h)(1) of the Commission's Rules, 47 C.F.R. §54.313(h)(1); WC Docket Nos. 10-90 & 05-337

Dear Ms. Dortch:

On December 31, 2012, Steelville Telephone Exchange, Inc. ("Steelville") filed a petition for waiver of Section 54.313(h)(1) of the Commission's rules, 47 C.F.R. §54.313(h)(1) (the "Petition"), to collect federal high-cost support that had been withheld by the Universal Service Administrative Company ("USAC") for July 1 through December 31, 2012 based on the company's local residential voice rates complying with the FCC's rate floor under Section 54.318 of the Commission's rules.<sup>1</sup>

As explained in the Petition, due to a last-minute change in the FCC rules and a 30-day notice requirement under Missouri law, it was not possible for Steelville to bring its local residential voice rates into compliance with the FCC rate floor by June 1, 2012, but Steelville was in compliance as of July 1, 2012, and has been in compliance with the rate floor since that time. While the Commission's rules permit local exchange carriers ("LECs") such as Steelville to update their local residential voice rates on or before January 2, 47 C.F.R. §54.313(h)(2), and Steelville attempted to file an update on December 31, 2012, to restore high-cost support for its Missouri exchange as of January 1, 2013, Steelville was informed by NECA on January 2, 2013 that no update would be processed until further instruction was provided by the FCC or USAC, given that the

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<sup>1</sup> *Wireline Competition Bureau Seeks Comment on the Steelville Telephone Exchange, Inc. Petition for Waiver of Certain High-Cost Universal Service Rules*, Public Notice, DA 13-76 (WCB rel. Jan. 18, 2013).

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Office of Management and Budget had not at that time approved the FCC rule permitting mid-year updates.<sup>2</sup>

As a result, Steelville has lost an entire year's federal high-cost support, totaling \$36,912.00 for the period July 1, 2012 through June 30, 2013. For Steelville, this is a substantial sum that is urgently needed, as stated in the Petition, to maintain voice and broadband service in the rural communities of Cherryville, Huzzah, Steelville and Viburnum, Missouri.

Accordingly, Steelville urges the Commission to promptly grant the pending Petition. Further, Steelville respectfully requests that the Commission restore not only \$18,456.00 in support for the period July 1 to December 31, 2012 as requested in the Petition, but also the corresponding amount of support for January 1 through June 30, 2013, for a total of \$36,912.00 in high-cost support.

Please direct any questions concerning this matter to me.

Very truly yours,



Karen Brinkmann

*Counsel for Steelville Telephone Exchange, Inc.*

cc: Suzanne Yelen, Wireline Competition Bureau  
Alex Minard, Wireline Competition Bureau  
Carol Matthey, Wireline Competition Bureau

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<sup>2</sup> Steelville noted this apparent lack of communication in its Reply Comments filed in this proceeding more than a year ago, yet Steelville understands that to date the FCC still has not instructed USAC to accept such mid-year updates. *See* Reply Comments of Steelville Telephone Exchange, Inc. in WC Docket Nos. 10-90, 05-337 (filed March 6, 2013).