

Thomas Burns  
612.621.8322 – Direct  
612.621.8323 – Facsimile  
TGBurns@OTCPAs.com



**OLSEN THIELEN**  
Certified Public Accountants & Consultants

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December 6, 2017

Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 Seventh Place E, Suite 350  
St. Paul, MN 55101-2147

Re: In the Matter of the Petition of Paul Bunyan Rural Telephone Cooperative for  
Designation as a Lifeline Only Eligible Telecommunications Carrier  
Docket No: \_\_\_\_\_

Dear Mr. Wolf:

Enclosed via eFiling please find the Original Filing, Summary of Filing, and Petition for Designation as a Lifeline Eligible Telecommunications Carrier, and Affidavit of Service in the above entitled Docket on behalf of Paul Bunyan Rural Telephone Cooperative.

Sincerely,

*/s/ Thomas G. Burns*

Thomas G. Burns  
Consultant on behalf of Paul Bunyan Rural Telephone Cooperative

**STATE OF MINNESOTA  
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

Beverly Jones Heydinger	Chair
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
Matt Schuerger	Commissioner
John Tuma	Commissioner

In the Matter of the Petition of Paul Bunyan Rural Telephone Cooperative for Designation as a Lifeline Only Eligible Telecommunications Carrier      MPUC Docket No.: \_\_\_\_\_

**ORIGINAL FILING**

Paul Bunyan Rural Telephone Cooperative d/b/a Paul Bunyan Communications (“PBC”) requests the Minnesota Public Utilities Commission (the “Commission”) for designation as a Lifeline Eligible Telecommunications Carrier (“Lifeline ETC”) throughout its CLEC service area where the Commission has not designated PBC as an Eligible Telecommunications Carrier.

The filing includes the following attachments:

- |              |   |
|--------------|---|
| Attachment 1 | One paragraph summary of the filing in accordance with Minn. Rules pt. <a href="#">7829.1300</a> .  |
| Attachment 2 | Petition for Designation as a Lifeline Eligible Telecommunications Carrier, which contains a description of the filing, the impact on Petitioner and affected ratepayers, and the reasons for the filings, provided in accordance with Minn. Rules pt. 7829.1300, subp. 4(F). |
| Attachment 3 | Affidavit of Service.   |

In addition, the following information is provided, in accordance with Minn. Rules pt. 7829.1300, subp. 4:

Utility: Paul Bunyan Rural Telephone Cooperative  
1831 Anne St NW  
PO Box 1596  
Bemidji, MN 56601

Date of Filing December 6, 2017

Controlling Statute for Time in Processing the Filing Minn. Rules pt. [7811.1400](#), subp. 12

If additional information is required, please contact me at 651.621.8322.

/s/ *Thomas G. Burns*

Thomas Burns  
Consultant on behalf of Paul Bunyan Rural Telephone Cooperative

**STATE OF MINNESOTA  
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

Beverly Jones Heydinger	Chair
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In the Matter of the Petition of Paul Bunyan Rural Telephone Cooperative for Designation as a Lifeline Only Eligible Telecommunications Carrier      MPUC Docket No.: \_\_\_\_\_

**SUMMARY OF FILING**

Paul Bunyan Rural Telephone Cooperative ("PBC") requests the Minnesota Public Utilities Commission for an order for designation as a Lifeline Eligible Telecommunications Carrier ("Lifeline ETC") throughout its CLEC service area where the Commission has not designated PBC as an Eligible Telecommunications Carrier.



- C. The proposed effective date of designation of eligibility to receive Lifeline Universal Service Support is immediately upon the Commission's issuance of an Order approving this Petition.
- D. The service area (“Proposed Service Area”) for which Lifeline ETC designation is sought, the ILEC and whether the local exchange carrier is a rural telephone company (less than 50,000 subscribers) is set forth following:

ILEC	Exchanges
Arrowhead Communications Corp. is a rural carrier.	Bena, Cotton
Arvig Telephone Co (TDS) is a rural carrier.	Backus, Breezy Point, Hackensack, Ideal Corners, Pequot Lakes, Pine River, Woman Lake
Callaway Tel Exchange	Callaway
CenturyTel of MN is not believed to be a rural carrier.	Baudette, Campbell, Gunflint Trail, Hill City, Hovland, Humbolt, Orr, Roseau, Warroad
Citizens Telecommunications Company of MN is not believed to be a rural carrier.	Alborn, Aurora, Babbitt, Bear River, Big Falls, Brimson, Brookston, Crane Lake, Cromwell, Denham, Ely, Embarrass, Ericsburg, Floodwood, Greaney, Hoyt Lakes, International Falls, Isabella, Jacobson, Kabetogama, Little Fork, Meadowlands, Nickerson, Palo, Ranier, Sturgeon Lake, Tower, Two Harbors and Warba
Eagle Valley Tel. Co. is a rural carrier.	Clarissa
East Otter Tail Tel. Co. is a rural carrier.	Bertha, Deer Creek, Dent, Longville, Nevis, New York Mills, Osage, Ottertail, Perham, Vergas, Walker, Whipholt
Embarq MN is not believed to be a rural carrier	Aitkin, Bennetville, Browerville, Carlos, Crosby, Deerwood, Long Prairie
Felton Tel Co	Felton, Hitterdal
Loretel Systems, Inc. is a rural carrier.	Ada, Audubon, Cormorant, Frazee, Glyndon, Lake Park, Pelican Rapids, Perley
Midwest Tel Co. is a rural carrier.	Eagle Bend, Miltona, Parkers Prairie, Urbank, Bigfork, Marcell
Qwest Communications is not believed to be a rural carrier.	Barnum, Battle Lake, Bemidji, Biwabik, Brainerd, Breckenridge, Buhl, Carlton, Cass Lake, Chisholm, Cloquet, Coleraine, Comstock, Cook, Crookston, Detroit Lakes, Fergus Falls, Grand Marais, Grand Rapids, Hawley, Henning, Hibbing, Keewatin, Little Falls, Mahnomen, Marble, Moose Lake, Mountain Iron, Nashwauk, Nisswa, Park Rapids, Sabin, Sandstone, Silver Bay, Staples, Thief River Falls, Tofte, Virginia, Wadena
Twin Valley-Ulen Tel Co. is a rural carrier.	Flom, Gary, Twin Valley, Ulen, Waubun, White Earth

A map of the Proposed Service Area is attached as [Exhibit 1](#).

- E. PBC’s Petition for designation as a Lifeline ETC for the Proposed Service Area is consistent with the public interest, convenience and necessity, and satisfies the requirements for receiving universal service support under state and federal law, for the following reasons:

***PBC POSSESSES THE INTENT AND CAPABILITY OF PROVIDING SERVICE UPON REASONABLE CUSTOMER REQUEST THROUGHOUT THE SERVICE AREA***

1. PBC's Regulatory Authority – The certificate of authority currently held by PBC cooperative was originally issued by the Railroad and Warehouse Commission in 1962, 1963 and 1966. The Commission approved the following PBC requests for service area expansion:

EXCHANGE(s)	DOCKET	DATE
Bemidji (partial)	P423/NA-98-1674	January 26, 1999
Grand Rapids, Bemidji (full)	P423/AM-02-1557	October 11, 2002
Cass Lake	P423/AM-06-71	February 10, 2006
Itasca State Park	P423/AM-07-83	February 12, 2007
Park Rapids	P-423/AM-09-71	February 9, 2009
Alborn, Aurora, Babbitt, Bear River, Big Falls, Brimson, Brookston, Crane Lake, Cromwell, Denham, Ely, Embarrass, Ericsburg, Floodwood, Greaney, Hoyt Lakes, International Falls, Isabella, Jacobson, Kabetogama, Little Fork, Meadowlands, Nickerson, Palo, Ranier, Sturgeon Lake, Tower, Two Harbors and Warba	P423/AM-12-959	October 16, 2012
Barnum, Biwabik, Buhl, Carlton, Chisholm, Cloquet, Coleraine, Cook, Duluth Grand Marais, Grand Rapids, Hibbing, Keewatin, Marble, Moose Lake, Nashwauk, Silver Bay, Tofte, and Virginia	P423/AM-13-129	April 8, 2013
Ada, Aitkin, Alvarado, Argyle, Askov, Audubon, Backus, Battle Lake, Baudette, Bena, Bennettville, Bertha, Bigfork, Brainerd, Breckenridge, Breezy Point, Browerville, Callaway, Campbell, Carlos, Clarissa, Cloquet, Cloverton, Comstock, Cook, Cormorant, Cotton, Crookston, Crosby, Deer Creek, Deerwood, Dent, Detroit Lakes, Eagle Bend, Felton, Fergus Falls, Finlayson, Flom, Frazee, Garrison, Gary, Gateway, Glyndon, Gunflint Trail, Hackensack, Hallock, Hawley, Henning, Hill City, Hitterdal, Hovland, Humboldt, Ideal Corners, Kennedy, Kettle River, Kimberly, Lake Park, Little Falls, Long Prairie, Longville, Mahnomen, Malmo, Marcell, McGrath, McGregor, Miliona, Mountain Iron, Nevis, New York Mills, Nisswa, Orr, Osage, Oslo, Ottertail, Palisade, Parkers Prairie, Pelican Rapids, Pequot Lakes, Perham, Perley, Pine River, Roseau, Sabin, Sandstone, Staples, Stephen, Thief River Falls, Twin Valley, Ulen, Urbank, Vergas, Wadena, Walker, Warren, Warroad, Waubun, Wheaton, Whipholt, White Earth, Woman Lake, Wright,	P423/SA-16-929	January 10, 2017
Withdraw from Duluth	P423/M-16-930	December 28, 2016

2. PBC's Facilities and Commitment to Serve - PBC will provide broadband and voice telephone over its newly-installed fiber-optic facilities. PBC is committed to provide

service to all customers making a reasonable request for service. PBC certifies that it will: (a) provide service on a timely basis to requesting customers within the Service Area where PBC's network already passes the potential customer's premises; and (b) provide service within a reasonable period of time, if the potential customer is within the Service Area but not passed by PBC's current network facilities, if service can be provided at reasonable cost by constructing network facilities.

3. PBC's Basic Universal Service Offering - PBC will provide voice telephony in the Service Area. The services PBC offers meet the Basic Local Service requirements under [Minn. Rule 7812.0600](#). PBC has the ability and the intention to provide the voice telephony services required by [47 CFR § 54.101](#)(a)<sup>2</sup>:

- Voice grade access to the public switched network or its functional equivalent;
- Minutes of use for local service provided at no additional charge to end users;
- Access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911
- Toll limitation for qualifying low-income consumers

The universal service offering will be made available throughout the Proposed Service Area upon its designation as Lifeline ETC. PBC's tariffs address customer eligibility provisions and the availability of subsidies under the Lifeline program<sup>3</sup> and the Minnesota Telephone Assistance Plan<sup>4</sup>. The applicable sections of PBC's tariff are attached as [Exhibit 2](#). PBC is committed to providing the supported services throughout the Service Area to all customers who make a request for such services if service can be provided at reasonable cost by constructing network facilities. The local usage plans offered are comparable to those offered by the incumbent local exchange carriers. PBC's local calling scope will mirror those of the ILECs and any mandatory Extended Area Service calling as part of the basic local service offering.

4. PBC's Advertising Plan - PBC currently advertises its services through several different channels of general distribution, including newspaper, and direct mail. PBC will advertise the availability of its universal service offering throughout the Service Area through these same advertising channels it currently employs. In addition, the availability of the offering throughout the Proposed Service Area will be listed continuously on PBC's web site: <http://www.paulbunyan.net> The service offering will also be published at least annually in the local newspaper, and will be posted at the PBC offices in Bemidji.
5. PBC's 5-Year Plan for Use of Universal Service Support - PBC would receive Lifeline support to the extent it serves customers eligible for that program.

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<sup>2</sup> [FCC Connect America Order 11-161 rel. November 18, 2011](#) at ¶ 76-81 discusses the changes to [47 CFR § 51.101](#) and the required voice service offerings

<sup>3</sup> PBC Local Exchange Tariff Section 5, page 24

<sup>4</sup> PBC Local Exchange Tariff Section 5, page 24

6. PBC's Ability to Remain Functional in Emergency Situations. PBC's network will remain functional in emergency situations:

Commercial power outage: The central office serving PBC's customers is equipped with electrical generators and battery power supply to provide service in the event of a commercial power outage.

Network failure: The interoffice facilities serving the Service Area are on a diverse routed fiber optic ring, which if cut will be automatically rerouted.

PBC complies with the Commission's Rules in Chapter [7810](#) establishing minimum standards on various operational matters, such as 7810.3900 (Emergency Operations); 7810.4900 (Adequacy of Service); and 7810.5300 (Dial Service Requirements).

7. PBC's Satisfaction of Consumer Protection and Service Quality Standards – PBC, is subject to, and complies with, the Commission's Rules pertaining to service quality and consumer protection. PBC's tariff has specific provisions outlining the following terms addressing consumer protection issues:
- Deposit and guarantee requirements<sup>5</sup>
  - Customer Billing<sup>6</sup>
  - Appropriate handling of customer complaints and billing disputes<sup>7</sup>
  - Disconnection and notice requirements<sup>8</sup>

The specific provisions in PBC's tariff, as well as the Commission's service quality rules by which PBC is bound, will apply throughout the Service Area and assure a high level of service quality and consumer protection.

8. PBC's Acknowledgement Regarding Equal Access – PBC will provide equal access to long distance carriers within the Service Area.

***DESIGNATING PBC AS A LIFELINE ETC IN THE PROPOSED SERVICE AREA WILL SERVE THE PUBLIC INTEREST***

9. Public Interest - Designation of PBC as a Lifeline ETC in the Proposed Service Area is in the public interest, since it affords qualifying customers a choice of service providers while retaining the Lifeline benefit.
10. Superior Service Offering - PBC believes its service offerings are superior to that received by the ILECs' customers in the Service Area. PBC presently has fiber to the home in much of the Proposed Service Area and plans to place fiber to the home going forward, offering a technically superior network to that of ILECs.

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<sup>5</sup> PBC Local Exchange Tariff, Section 2, page 11

<sup>6</sup> Ibid

<sup>7</sup> PBC Local Exchange Tariff, Section 2, page 12

<sup>8</sup> Ibid

PBC believes customers will additionally benefit from choosing a locally owned and based provider which has demonstrated its commitment to, and success in, responding to the service needs of its residents.

11. Affordability – The local exchange services offered to PBC’s customers for universal service offerings are within the range of the ILEC’s tariffed rates in the Service Area. PBC’s basic service offerings rates are identified in its Local Exchange Services<sup>9</sup> tariff.

ILEC	Residence Rate	Business Rate	Install Charge Res/Bus
Paul Bunyan	\$18.00	\$25.75	\$10.00/\$10.00
Arrowhead	\$20.00	\$20.00	\$60.25/\$60.25
Arvig Tel	\$12.70	\$17.95	\$20.00/\$20.00
Callaway Tel	\$20.00	\$20.00	\$60.25/\$60.25
CenturyTel	\$9.73	\$22.71	\$ 7.00/\$12.00
Citizens	\$15.25	\$29.50	\$30.00/\$30.00
Eagle Valley	\$20.00	\$22.62	\$60.25/\$60.25
East Otter Tail Tel	\$19.20-21.20*	\$19.20-21.20*	\$60.25/\$60.25
Embarq MN	\$9.00	\$16.11	\$19.00/\$43.00
Felton Tel Co	\$20.00	\$22.16-24.61*	\$60.25/\$60.25
Midwest Tel Co	\$20.00	\$20.50	\$60.25/\$60.25
Qwest	\$15.96	\$34.61	\$18.35/\$47.90
Twin Valley – Ulen	\$21.20	\$21.20	\$60.25/\$60.25

\*multiple rates

PBC will provide the benefit of Lifeline discounts to qualifying subscribers.

12. Commitment to Service Quality - As noted in Paragraph E.7 above, PBC is a certified CLEC in Minnesota is subject to, and complies with, the Commission's Rules pertaining to service quality and consumer protection.
13. No Negative Impact on Universal Service Fund - As noted in Paragraph E5 above, PBC would not receive federal high cost USF, only support for Lifeline.

#### ***LIFELINE ETC CERTIFICATION***

14. Request for Certification - PBC requests that the Commission certify its use of support effective as of the date of PBC’s Lifeline ETC designation for the Proposed Service Area.
15. PBC’s Certification - In support of its certification request, PBC hereby states that it will not receive federal high cost universal service support for the Proposed Service Area.

<sup>9</sup> PBC Local Exchange Tariff, Section 4

**CONCLUSION**

16. PBC meets the requirements of both state and federal laws and regulations for designation as an Eligible Telecommunications Carrier in the requested Proposed Service Area. Pursuant to [47 USC § 214\(e\)](#), the Commission should designate PBC as an Eligible Telecommunications Carrier for the Service Area. In so doing, the Commission will ensure that consumers in the Service Area have an opportunity to secure better and more reliable service at a rate equal to or less than that which they are currently paying. The consumers in the Service Area will benefit and the public interest will be served if PBC's Petition is approved and it is designated as an ETC.

Wherefore, PBC respectfully requests that the Commission:

- A. Designate Paul Bunyan Rural Telephone Cooperative as a Lifeline ETC for receipt of federal universal service lifeline support with respect to the Service Areas specified in this Petition;
- B. For such other and further relief as the Commission may deem just and reasonable.

Dated: December 6, 2017

By: /s/Thomas G. Burns  
Thomas G. Burns

CONSULTANT FOR PAUL BUNYAN  
RURAL TELEPHONE COOPERATIVE

**VERIFICATION**

The undersigned, Gary Johnson, Chief Executive Officer of Paul Bunyan Rural Telephone Cooperative, certifies that he has reviewed this Petition and the facts stated therein, of which he has personal knowledge, and that the same are true and correct to the best of his present knowledge and belief.

Respectfully submitted,

Paul Bunyan Rural Telephone Cooperative

By: /s/ Gary Johnson  
Gary Johnson  
Chief Executive Officer

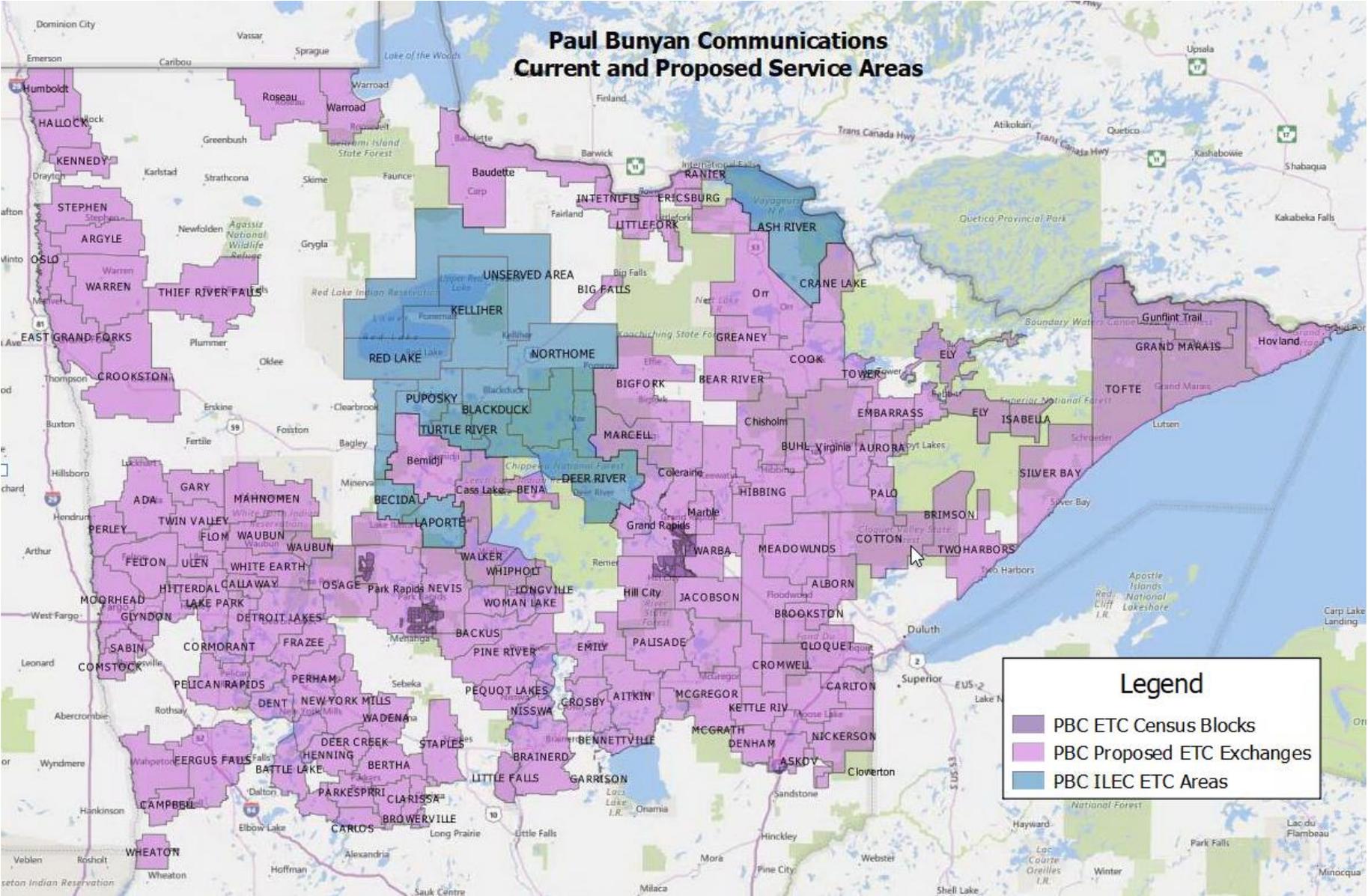
**AFFIDAVIT OF SERVICE**

In the Matter of the Petition of Paul Bunyan Rural Telephone  
Cooperative for Designation as an Eligible Telecommunications  
Carrier

MPUC Docket No.: \_\_\_\_\_

I, Thomas Burns, state that on December 6, 2017 I caused copies of the attached Notice regarding the filing of Paul Bunyan Rural Telephone Cooperative's application for designation as a Lifeline Eligible Telecommunications Carrier to be filed using eService or mailed by United States first class mail postage prepaid thereon, to the following persons:

Dr. Dan Wolf Executive Secretary	Linda Chavez Minnesota Department of Commerce
Ian Dobson Assistant Attorney General	Jason Topp (eFile) CenturyLink
Scott Bohler (eFile) Frontier/Citizens	Michael Baso (eFile) Arvig Communications, Inc.
Gary Johnson (eFile) Paul Bunyan Rural Telephone Cooperative	



The tariff pages following address:

- [Deposit and guarantee requirements](#)
- [Customer Billing](#)
- [Customer Complaints and Billing Disputes](#)
- [Disconnection and notice requirements](#)
- [Lifeline and MN TAP](#)
- [Link-Up](#)
- [Basic Local Service Rates](#)

**Deposit and Guarantee Requirements**

PAUL BUNYAN RURAL TELEPHONE COOPERATIVE  
d/b/a PAUL BUNYAN COMMUNICATIONS  
BEMIDJI, MINNESOTA

Section 2  
Page 10

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GENERAL REGULATIONS

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9. CREDIT POLICY

A. Deposit and Guarantee Requirements

The Company may require a deposit or guarantee of payment from any customer or applicant who has not established good credit with the Company. Deposit or guarantee of payment requirements as prescribed by the Company must be based upon standards which bear a reasonable relationship to the assurance of payment. The Company may determine whether a customer has established good credit with the Company, except as herein restricted:

- 1) A customer, who within the last 12 months has not had his service disconnected for nonpayment of a bill and has not been liable for disconnection of service for nonpayment of a bill, and the bill is not in dispute, shall be deemed to have established good credit.
- 2) A Company shall not require a deposit or a guarantee of payment based upon income, home ownership, residential location, employment tenure, nature of occupation, race, color, creed, sex, marital status, age, national origin, or any other criteria which does not bear a reasonable relationship to the assurance of payment or which is not authorized by this chapter.
- 3) The Company shall not use any credit reports other than those reflecting the purchase of utility services to determine the adequacy of a customer's credit history without the permission in writing of the customer. Any credit history so used shall be mailed to the customer in order to provide the customer an opportunity to review the data. Refusal of a customer to permit use of a credit rating or credit service other than that of a Company shall not affect the determination by the Company as to that customer's credit history.
- 4) Qualifying applicants for Lifeline Service may initiate service without paying a deposit if they voluntarily elect to have Toll Blocking on their line. Toll Blocking will be provided at no charge to Lifeline customers.

B. Deposit

When required, a customer may assure payment by submitting a deposit. A deposit shall not exceed an estimated two months' gross bill or existing two months' bill where applicable. All deposits shall be in addition to payment of an outstanding bill or a part of such bill as has been resolved to the satisfaction of the Company, except where such bill has been discharged in bankruptcy. A Company shall not require a deposit or a guarantee of payment without explaining in writing why that deposit or guarantee is being required and under what conditions, if any, the deposit will be diminished upon return. The deposit shall be refunded to the customer after 12 consecutive months of prompt payment of all bills to that Company. The Company may, at its option, refund the deposit by direct payment or as a credit on the bill. With notice any deposit of a customer shall be applied by the Company to a bill when the bill has been determined by the Company to be delinquent. Each Company shall issue a written receipt of deposit to each customer from whom a deposit is received and shall provide a means whereby a depositor may establish a claim if the receipt is unavailable.

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Effective: 10-31-11

Deposit and Guarantee Requirements (cont.)

PAUL BUNYAN RURAL TELEPHONE COOPERATIVE  
d/b/a PAUL BUNYAN COMMUNICATIONS  
BEMIDJI, MINNESOTA

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GENERAL REGULATIONS

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9. CREDIT POLICY (Continued)

B. Deposit (Continued)

Interest shall be paid on deposits in excess of \$20 at the rate set by the Commissioner of the Department of Commerce as required by Minnesota Statute 325E.02. The interest rate may be found on the Department of Commerce website at [www.commerce.state.mn.us](http://www.commerce.state.mn.us). Interest on deposits shall be payable from the date of deposit to the date of refund or disconnection. The Company may, at its option, pay the interest at intervals it chooses but at least annually, by direct payment, or as a credit on bills.

Upon termination of service, the deposit with accrued interest shall be credited to the final bill and the balance shall be returned within 45 days to the customer.

C. Guarantee of Payment

The Company may accept, in lieu of deposit, a contract signed by a guarantor satisfactory to the Company whereby payment of a specified sum, not exceeding the deposit requirement is guaranteed. The term of such contract shall be for no longer than 12 months, but shall automatically terminate after the customer has closed and paid the account with the Company, or at the guarantor's request upon 60 days' written notice to the Company. Upon termination of a guarantee contract or whenever the Company deems same insufficient as to amount or surety, a cash deposit or a new or additional guarantee may be required for good cause upon reasonable written notice to the customer.

The service of any customer who fails to comply with these requirements may be disconnected upon notice as prescribed in Minnesota Rules. The Company shall mail the guarantor copies of all disconnect notices sent to the customer whose account he has guaranteed unless the guarantor waives such notice in writing.

10. CUSTOMER BILLING

- A. Regular bills will be issued periodically (monthly, quarterly). For billing purposes each month is presumed to have thirty days.
- B. Special bills for long distance telecommunications service may be issued at any time when charges are unusually high and the Company is uncertain as to the customer's ability to pay such charges.
- C. Services which are charged for at monthly rates are billed in advance for one month's service.
- D. Services which are charged for at other than monthly rates are billed in arrears, except when payment for messages is made by cash deposit in the coin telephone.
- E. Detail call information, such as the time at which made, duration and destination may be provided for long distance telecommunications message service.
- F. Retroactive billing adjustments will not be made for a period exceeding three years.

11. PAYMENT FOR SERVICE

- A. The customer is responsible for the payment of rates and charges for all services furnished including, but not limited to, calls originated or accepted at a customer's service location.

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Effective: 10-31-11

**Customer Billing**

**Customer Complaint and Disputes**

PAUL BUNYAN RURAL TELEPHONE COOPERATIVE  
d/b/a PAUL BUNYAN COMMUNICATIONS  
BEMIDJI, MINNESOTA

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**GENERAL REGULATIONS**

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**11. PAYMENT FOR SERVICE (Continued)**

- B. Bills are due when rendered and may be paid at any of the Company's public business offices or other authorized payment locations.
- C. Charges for a message originated or accepted at a coin telephone shall be paid by cash deposit in the coin telephone unless arrangements for billing have been made.
- D. Non-sufficient Fund or No Account Checks

When a customer pays the monthly bill with a non-sufficient fund or no account check, a charge (see Section 6, page 2) will be made to that customer to cover the administrative costs incurred in handling the transaction.

**E. Customer Complaints and/or Billing Disputes**

Customer inquiries or complaints regarding service or accounting may be made in writing or by telephone to the Company at:

1831 Anne Street NW, Suite 100  
Bemidji, Minnesota 56601  
(218) 586-3100

Any objection to billed charges should be reported promptly to the Company. Adjustments to Customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate. Where overbilling of a subscriber occurs, due either to Company or subscriber error, no liability exists which will require the Company to pay any interest, dividend or other compensation on the amount overbilled.

If after an investigation and review by the Company a disagreement remains as to the disputed charges, the customer may file a complaint, in writing or by telephone, to the Minnesota Public Utilities Commission at:

121 Seventh Place East  
Suite 350  
Saint Paul, Minnesota 55101-2147  
(800) 657-3782

**12. FAILURE TO PAY FOR SERVICE**

**A. Regular Monthly Bills**

- 1) A customer is considered to be delinquent in the payment of a regular monthly bill when the sum due is not received on or before the tenth calendar day following the day the bill is either mailed or delivered by other means.
- 2) When a customer is delinquent in the payment of a regular monthly bill, the Company may disconnect the service not sooner than five days after mailing or delivery of written notice of intention to disconnect.

**B. Special Bills**

- 1) A customer is delinquent in the payment of a special bill when the sum due is not paid upon presentation.

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**Effective: 10-31-11**

**Disconnection and notice requirements**

PAUL BUNYAN RURAL TELEPHONE COOPERATIVE  
d/b/a PAUL BUNYAN COMMUNICATIONS  
BEMIDJI, MINNESOTA

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Page 12.1

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GENERAL REGULATIONS

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12. FAILURE TO PAY FOR SERVICE (Continued)

C. Late Payment Charge

(N)

- 1) A late payment charge of the greater of 1.5% of the bill or \$5.00 applies to all billed balances which are not paid within 10 days of the due date shown on the bill, unless the balance is less than \$35.00.
- 2) The late payment charge does not apply to unpaid balances associated with disputed amounts. Undisputed amounts on the same bill may be subject to the payment charge.
- 3) Collection procedures, temporary disconnection of service, advance payments and the requirements for deposit are unaffected by the application of the late payment charge.

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Effective: 2-1-13

**Lifeline and MN TAP**

PAUL BUNYAN RURAL TELEPHONE COOPERATIVE  
d/b/a PAUL BUNYAN COMMUNICATIONS  
BEMIDJI, MINNESOTA

Section 2  
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GENERAL REGULATIONS

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9. CREDIT POLICY

A. Deposit and Guarantee Requirements

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- 1) A customer, who within the last 12 months has not had his service disconnected for nonpayment of a bill and has not been liable for disconnection of service for nonpayment of a bill, and the bill is not in dispute, shall be deemed to have established good credit.
- 2) A Company shall not require a deposit or a guarantee of payment based upon income, home ownership, residential location, employment tenure, nature of occupation, race, color, creed, sex, marital status, age, national origin, or any other criteria which does not bear a reasonable relationship to the assurance of payment or which is not authorized by this chapter.
- 3) The Company shall not use any credit reports other than those reflecting the purchase of utility services to determine the adequacy of a customer's credit history without the permission in writing of the customer. Any credit history so used shall be mailed to the customer in order to provide the customer an opportunity to review the data. Refusal of a customer to permit use of a credit rating or credit service other than that of a Company shall not affect the determination by the Company as to that customer's credit history.
- 4) Qualifying applicants for Lifeline Service may initiate service without paying a deposit if they voluntarily elect to have Toll Blocking on their line. Toll Blocking will be provided at no charge to Lifeline customers.

B. Deposit

When required, a customer may assure payment by submitting a deposit. A deposit shall not exceed an estimated two months' gross bill or existing two months' bill where applicable. All deposits shall be in addition to payment of an outstanding bill or a part of such bill as has been resolved to the satisfaction of the Company, except where such bill has been discharged in bankruptcy. A Company shall not require a deposit or a guarantee of payment without explaining in writing why that deposit or guarantee is being required and under what conditions, if any, the deposit will be diminished upon return. The deposit shall be refunded to the customer after 12 consecutive months of prompt payment of all bills to that Company. The Company may, at its option, refund the deposit by direct payment or as a credit on the bill. With notice any deposit of a customer shall be applied by the Company to a bill when the bill has been determined by the Company to be delinquent. Each Company shall issue a written receipt of deposit to each customer from whom a deposit is received and shall provide a means whereby a depositor may establish a claim if the receipt is unavailable.

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Effective: 10-31-11

Lifeline and MN TAP (cont.)

PAUL BUNYAN RURAL TELEPHONE COOPERATIVE  
d/b/a PAUL BUNYAN COMMUNICATIONS  
BEMIDJI, MINNESOTA

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GENERAL SERVICES

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LIFELINE ASSISTANCE AND MINNESOTA TELEPHONE ASSISTANCE PLAN (TAP)

(T)

The Lifeline Assistance program (Lifeline), established by the Federal Communications Commission under 47CFR54, is a means of maintaining and preserving universal service by providing a reduction in the recurring price of telephone, mobile or broadband service to qualifying low-income residential subscribers.

(T)

TAP is a state sponsored assistance program under Minnesota Statutes Chapter 237 and is designed to make telephone service accessible to qualifying low-income residential households. Through this program, eligible households will receive a monthly discount on their telephone service.

1. General

- a. Lifeline provides for a federally-funded discount credit that is applied to a low income residential customer's charges for telephone, mobile or broadband service. Monthly Lifeline discounts provided in connection with the Company's local telephone service will be first applied against Federal End User Common Line Charge. Any remaining Lifeline discounts will then be applied to reduce rates for residential service. The state TAP credit shall be applied to against charges for the customer's local phone service. Eligible applicants living on or near federally recognized Tribal Lands/reservations will receive an additional credit of up to \$25.00.
- b. Federal Universal Service Charge (FUSC) will not be billed to Lifeline customers.
- c. Local service for Lifeline Telephone subscribers may not be disconnected for non-payment of toll charges.
  - 1). Toll Restriction Service will be provided to Lifeline Telephone subscribers at no charge.
  - 2). Lifeline Telephone subscribers are not required to accept Toll Restriction Service as a condition to avoid disconnection of local service for non-payment of toll.
  - 3). Lifeline Telephone subscribers are not required to pay a service deposit in order to initiate service if the subscriber voluntarily elects to receive Toll Restriction Service.
- d. Partial payments from Lifeline Telephone subscribers will be applied first to local service charges and then to toll charges.

2. Eligibility Requirements

- a. Lifeline will be provided for one (1) eligible service per household, at the subscriber's principal place of residence, to those individuals who meet the eligibility requirements.
- b. The applicant has income at or below 135 percent of the Federal Poverty Guidelines or participates in one of the following programs:
  - Medicaid
  - Supplemental Nutrition Assistance Program (SNAP)
  - Supplemental Security Income (SSI)
  - Federal Public Housing Assistance (FPHA)
  - Veterans Pension and Survivors Plan

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Effective: 1-1-17

Lifeline and MN TAP (cont.)

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GENERAL SERVICES

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LIFELINE ASSISTANCE AND MINNESOTA TELEPHONE ASSISTANCE PLAN (TAP) (Continued) (T)

2. Eligibility Requirements (Continued)

Individuals who do not qualify under any of the above but live on or near a federally recognized reservation may qualify if the applicant receives benefits from at least one of the following programs:

- Bureau of Indian Affairs General Assistance
- Tribally Administered Temporary Assistance for Needy Families
- Head Start (only for those meeting its income qualifying standard)
- Food Distribution Program on Indian Reservations (FDPIR) (T)

c. The applicant signs a document certifying under penalty of perjury that the applicant receives benefits from one of the programs listed and identifying the program or programs from which that consumer receives benefits.

d. The applicant signs a document agreeing to notify the carrier if that consumer ceases to participate in the program or programs. When the company is notified by the customer that the customer no longer participates in one of the above programs, the federal credits to that customer's monthly charges shall cease beginning with the start of the billing cycle beginning in the month after the month in which notification is received.

3. Eligibility Revocation

If the telephone company discovers that conditions exist that disqualify the recipient of Lifeline Assistance, the customer will be de-enrolled from the Lifeline Assistance Program. The customer will be billed retroactively to whichever is the most recent of the dates Lifeline assistance commenced or the recipient no longer qualified for the service not to exceed 12 months. (T)

4. Eligibility for the State TAP Credit

a. The state TAP credit is only available to residential subscribers who meet the eligibility requirements for the Federal Lifeline discount credit in 2 above. (T)

b. The customer must reside in Minnesota or have moved to Minnesota and intend to remain.

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Effective: 1-1-17

Lifeline and MN TAP (cont.)

PAUL BUNYAN RURAL TELEPHONE COOPERATIVE  
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GENERAL SERVICES

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LIFELINE ASSISTANCE AND MINNESOTA TELEPHONE ASSISTANCE PLAN (TAP) (Continued) (T)

5. Regulations

- a. The Federal Lifeline and state TAP credit will begin at the customer's earliest possible billing cycle but no later than the second billing cycle after the date the application for the Federal Lifeline and state TAP credit is received by the telephone company.
- b. A service charge shall not be billed to establish qualification for either the Federal Lifeline or state TAP credit.
- c. When a customer enrolls for the state TAP credit, the Company is reimbursed for the cost of the service order activity.

6. Funding

The Federal Lifeline credit is funded through the FCC universal service program. The state TAP credit shall be funded through the state Telephone Assistance Plan Surcharge on residence and business access lines which pay the 911 surcharge. (T)

7. Rates

State TAP Surcharge

The surcharge rate is the effective rate ordered by the Minnesota Public Utilities Commission. The Company is responsible for billing, collecting and remitting the surcharge to appropriate government agency.

Monthly Rate

State TAP Credit

Note 1

Federal Lifeline Credit \*

Note 2

Note 1: The State TAP credit is the effective rate ordered by the Minnesota Public Utilities Commission. Information regarding the Credit rate can be accessed at the Minnesota Department of Commerce Web site at: <http://mn.gov/commerce/>

Note 2: The Federal Lifeline credit is the effective rate ordered by the Federal Communications Commission (FCC). Information regarding the Credit rate can be accessed at the FCC Web site at: <http://www.fcc.gov/>

\* Additional support is available for residents of Tribal Lands, see Section 5, Page 24, 1(a).

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Effective:

Link-Up

PAUL BUNYAN RURAL TELEPHONE COOPERATIVE d/b/a PAUL BUNYAN COMMUNICATIONS BEMIDJI, MINNESOTA	Section 5 Page 29 Revision 1
<hr/> GENERAL SERVICES <hr/>	
<u>LINK-UP SERVICE CONNECTION PROGRAM (Available only on Tribal Lands)</u>	(T)
1. General	
<p>The Link-Up Service Connection Program is a federally sponsored assistance program under 47CFR54 and is designed to make telephone service accessible to qualifying low-income residential households who are currently not on the public switched network. Through this program, the service connection charge for the initial installation of the main access line will be discounted. The remaining portion of the service connection charge, up to \$200, may be installment billed, interest-free, over a period of one year.</p>	(D)
<p>Residents of Tribal Lands may qualify for a reduction of up to \$70 to cover 100% of the charges between \$60 - \$130 charges to connect the subscriber to the network, including facilities based line extension or construction charges needed to initiate service.</p>	(T)
2. Eligibility Requirements	
To be eligible for assistance, an applicant must meet the following requirements:	
<ol style="list-style-type: none"> <li>a. This discount applies on a single line at the principal place of residence for the applicant.</li> <li>b. Applicant can receive the benefit of the Link-Up Program a second or subsequent time only for a principal place of residence with an address different from the residence address at which Link-Up assistance was previously provided.</li> <li>c. Applicant signs document certifying under penalty of perjury that the consumer has income at or below 135 percent of the Federal Poverty Guidelines or receives benefits from at least one of the following programs:           <ul style="list-style-type: none"> <li>• Medicaid/Medical Assistance</li> <li>• Food Support/Food Stamps</li> <li>• Supplemental Security Income</li> <li>• Federal Public Housing Assistance or Section 8</li> <li>• Low Income Home Energy Assistance Program (LIHEAP)</li> <li>• National School Lunch Program's Free Lunch Program</li> <li>• Temporary Assistance for Needy Families (Minnesota Family Investment Program, or MFIP)</li> </ul> </li> </ol>	
<p>Individuals who do not qualify under any of the above but live on or near a federally recognized reservation may qualify if the applicant signs a document certifying under penalty of perjury that the applicant receives benefits from at least one of the following programs:</p>	
<ol style="list-style-type: none"> <li>• Bureau of Indian Affairs General Assistance</li> <li>• Tribally Administered Temporary Assistance for Needy Families</li> <li>• Head Start (only for those meeting its income qualifying standard)</li> <li>• National School Lunch Program's free lunch program</li> <li>• Food Distribution Program on Indian Reservations (FDPIR)</li> </ol>	
(N)	
<hr/> Effective: <u>4-1-12</u>	

**Link-Up (cont.)**

PAUL BUNYAN RURAL TELEPHONE COOPERATIVE d/b/a PAUL BUNYAN COMMUNICATIONS BEMIDJI, MINNESOTA	Section 5 Page 30 Revision 1
GENERAL SERVICES	
<hr/>	
<u>LINK-UP SERVICE CONNECTION PROGRAM (Available only on Tribal Lands) (Continued)</u>	
2. Eligibility Requirements (Continued)	
d. Applicant agrees to notify the carrier if that consumer ceases to participate in any of the above listed federal assistance programs.	
3. Credit and Collections	
a. Credit Reference	
The credit verification procedures used for all applicants who apply for service will also be used for applicants who apply for service under the Link-Up program.	
b. Deposits	
The deposit standards used for all applicants who apply for service will also be used for applicants who apply for service under the Link-Up program. The Link-Up program does not reduce or eliminate any permissible security deposits.	
c. Collection Standards	
Once service has been established for a Link-Up applicant, he or she will be expected to adhere to the same bill payment policies expected of any other customer.	
<hr/> Effective: <u>4-1-12</u>	

**Basic Local Service Rates**

PAUL BUNYAN RURAL TELEPHONE COOPERATIVE  
 d/b/a PAUL BUNYAN COMMUNICATIONS  
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LOCAL EXCHANGE SERVICE

Rates

Exchanges – Bemidji, Bear River, Big Falls, Cass Lake, Chisholm, Coleraine, Grand Rapids, Hibbing, International Falls, Itasca State Park, Little Fork, Marble, Nashwauk, Park Rapids, Virginia, Walker, Warba (

<u>Class of Service</u>	<u>Monthly Rates #</u>
BUSINESS:	
One Party	\$ 25.75
PBX Trunk	25.75
Key System Line	25.75
Basic Coin Telephone Service *	25.75
BUSINESS WITH NUMBER RETENTION:	
One Party	30.75
PBX Trunk	30.75
Key System Line	30.75
Basic Coin Telephone Service *	30.75
RESIDENCE:	
One Party	18.00
RESIDENCE WITH NUMBER RETENTION:	
One Party	20.00

All rates are billed in advance. Payment for service is due when the statement is rendered.

Vacation rate service is available for customers requiring less than 12 months of service per year. The rate for vacation service is determined in accordance with Section 5, page 39 of this tariff book.

\* New installations of this service are grandfathered as of 6-1-15 and will no longer be offered.

# Intrastate Access Recovery Charge ("Intrastate ARC"):

In addition to the monthly service rates shown, a monthly Intrastate Access Recovery Charge ("Intrastate ARC") will be applied to Company provided competitive local exchange subscriber access lines. This fee recovers a portion of the reduced Intrastate Inter-carrier Compensation received by Company from Interexchange Long Distance providers as a result of the Federal Communications Commission's December 29, 2011 Reform Order on Inter-carrier Compensation. The charge is \$3.00 per residence line and single line business line and \$3.00 per multi line business line, excluding Centrex Lines. Competitive local exchange ISDN PRI Services or channelized T-1's will be billed five multi-line Intrastate ARC's per arrangement.

(l) (U)

Effective: 8-1-17