

Mary T. Buley  
612.621.8306 – Direct  
mbuley@otcpas.com



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January 26<sup>th</sup>, 2021

Will Seuffert  
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 Federated Telephone Cooperative to Expand its  
Designation as a Eligible Telecommunications Carrier  
Docket No: \_\_\_\_\_

Dear Mr. Seuffert:

Enclosed via efileing please find the Original Filing, Summary of Filing, and Petition for  
Expansion as a Eligible Telecommunications Carrier, and Affidavit of Service in the  
above entitled Docket on behalf of Federated Telephone Cooperative.

Sincerely,

*/s/ Mary T. Buley*

Mary T. Buley  
Consultant on behalf of Federate Telephone Cooperative

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

Katie Sieben	Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

In the Matter of the Petition of Federated Telephone Cooperative for Expansion as a Eligible Telecommunications Carrier MPUC Docket No.:\_\_\_\_\_

**ORIGINAL FILING**

Federated Telephone Cooperative (“Federated”) requests the Minnesota Public Utilities Commission (“Commission”) for an expansion of its designation as a Eligible Telecommunications Carrier (“ETC”) through areas awarded to Federated in the FCC Rural Digital Opportunity Fund Auction where the Commission has not designated Federated 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 to expand Federated Telephone Cooperative service area as a 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:	Federated Telephone Cooperative 405 2 <sup>nd</sup> St. East PO Box 156 Chokio, MN 56221
Date of Filing	January 26 <sup>th</sup> , 2021
Controlling Statute for Time in Processing the Filing	Minn. Rules pt. <a href="#">7811.1400</a> , subp. 12

If additional information is required, please contact me at 651.621.8306.

*/s/ Mary T. Buley*

Mary T. Buley  
Consultant on behalf of Federated Telephone Cooperative

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

Katie Sieben	Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

In the Matter of the Petition of Federated Telephone MPUC Docket No.: \_\_\_\_\_  
Cooperative for Expansion to its Designation as a  
Eligible Telecommunications Carrier

**SUMMARY OF FILING**

Federated Telephone Cooperative ("Federated") requests the Minnesota Public Utilities Commission grant an Expansion of its designation as a Eligible Telecommunications Carrier ("ETC") for new census blocks where the Commission has not designated Federated as an Eligible Telecommunications Carrier.

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

Katie Sieben	Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

In the Matter of the Petition of Federated Telephone Cooperative for Expansion of its Designation as a Eligible Telecommunications Carrier                      MPUC Docket No.: \_\_\_\_\_

**PETITION FOR EXPANSION AS AN  
ELIGIBLE TELECOMMUNICATIONS CARRIER**

As an incumbent local service provider, Federated became an ETC eligible to receive universal service support on July 28<sup>th</sup>, 1997 in its exchange service areas. In 2012, Federated requested ETC designation for the Morris, MN exchange where Federated has been awarded census blocks in the Rural Broadband Experiment Program (RBE). This petition was granted by the Commission on July 26<sup>th</sup>, 2012 in Docket No. P523/AM-12-119. In 2018, Federated was awarded CAF II funds in a reverse auction and requested expansion of its ETC designation to include the CAF II areas and all CLEC service areas. This petition was approved in Docket No. 18-630. In this petition Federated requests expansion of its ETC service area for certain census blocks awarded to Federated in the FCC Rural Digital Opportunity Fund Auction 904. Federated was awarded 248 locations in the auction and a dollar amount of \$53,739.90 of yearly universal high cost support.

In support of its Petition, Federated states as follows:

- A. The legal name, address and telephone number of the Petitioner and its designated contact person are as follows:

Federated Telephone Cooperative  
405 2<sup>nd</sup> St. East, PO Box 156  
Chokio, MN 56221

Federated is represented in connection with this petition by its consultant:

Mary T. Buley  
Olsen Thielen & Co., Ltd.  
2675 Long Lake Road  
St. Paul, MN 55113  
651.621.8306

- B. The name and title of the officer or representative of Federated authorizing this petition is, Kevin Beyer, CEO and General Manager, whose signature appears at the end of this petition.
- C. The proposed effective date of designation of eligibility to receive 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 Expanded ETC designation is sought, is set forth following map in [Exhibit 1](#). See Exhibit 3 for a list of the RDOF Census Blocks.
- E. Federated's Petition for expansion of its designation as a ETC for the Proposed RDOF Census Blocks 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:

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

1. Federated's Regulatory Authority – As an incumbent local service provider, Federated became an ETC eligible to receive universal service support on July 28<sup>th</sup>, 1997 in its exchange service areas. Federated was granted CLEC authority on September 22, 1997 in Docket P523/NA-97-1120. In Docket P523, P575/PA10-1212 Federated expanded its service area and received CLEC authority for the exchanges of Morris and Appleton. In 2012, Federated requested ETC designation for the Morris, MN exchange where Federated has been awarded census blocks in the Rural Broadband Experiment Program (RBE). This petition was granted by the Commission on July 26<sup>th</sup>, 2012 in Docket No. P523/AM-12-119. In 2014 in Docket P532/AM- 14-678 Federated received approval to expand its CLEC authority for the Graceville exchange. In 2015, Federated received CLEC authority for the exchanges of Beardsley, Clinton, and Ortonville-Big Stone in Docket No.P532/AM-15-261. In 2016 Federated received CLEC authority in Benson, Murdock, Kerkhoven, Pennock, and Sunburg exchanges in Docket No. P532/AM-15-1074. In 2018 Federated was awarded CAF II funds in a reverse auction and requested expansion of its ETC designation to include the CAF II areas and all CLEC service areas. This petition was approved in Docket No. 18-630.<sup>1</sup>
2. Federated's Facilities and Commitment to Serve –The areas awarded to Federated as for the FCC RDOF Auction will be served with fiber to the premise (FTTP) in its CLEC territories. Federated is committed to provide service to all customers making a reasonable request for service. Federated certifies that it will: (a) provide service on a timely basis to requesting customers within the Service Area where Federated'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

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<sup>1</sup> Docket No. P523/AM -18-630 was approved by Commission Order dated February 14, 2019.

Area but not passed by Federated's current network facilities if service can be provided at reasonable cost by constructing network facilities.

3. Federated's Basic Universal Service Offering – Federated will provide voice telephony in the Proposed RDOF Service Area. The services Federated offers meet the Basic Local Service requirements under [Minn. Rule 7812.0600](#). Federated 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 expanded designation as an ETC. Federated'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 Federated's tariff are attached as [Exhibit 2](#). Federated 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. Federated'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. Federated's Advertising Plan – Federated currently advertises its services through several different channels of general distribution, including Federated's telephone directory and annual customer notice. Federated 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 RDOF Service Area will be listed continuously on Federated's web site: <https://www.aciracoop.net/>.
5. Federated's 10-Year Plan for Use of Universal Service Support - Federated will receive Universal High Cost Support and lifeline support to the extent it serves customers eligible for that program.
6. Federated's Ability to Remain Functional in Emergency Situations. Federated's network will remain functional in emergency situations:

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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> Federated Local Exchange Tariff Section 5, page 26 and 27

<sup>4</sup> Federated Local Exchange Tariff Section 5, page 28

Commercial power outage: The central office serving Federated'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.

Federated 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. Federated's Satisfaction of Consumer Protection and Service Quality Standards – Federated, is subject to, and complies with, the Commission's Rules pertaining to service quality and consumer protection. Federated'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 Federated's tariff, as well as the Commission's service quality rules by which Federated is bound, will apply throughout the Proposed Expanded Service Area and assure a high level of service quality and consumer protection.

***DESIGNATING FEDERATED AS A ETC IN THE PROPOSED EXPANDED SERVICE AREA WILL SERVE THE PUBLIC INTEREST***

8. Public Interest - Designation of Federated as a ETC in the Proposed Expanded Service Area is in the public interest since it affords qualifying customers a choice of service providers while retaining the Lifeline benefit.
9. Superior Service Offering – Federated believes its service offerings are superior to that offered by the ILECs' to customers in the Proposed Service Area. Federated has fiber optic facilities adjacent and near the Proposed Expanded Service Area and plans to place fiber to the home, offering a technically superior network to that of ILECs.

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

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<sup>5</sup> Federated Local Exchange Tariff, Section 2, page 10 and 11

<sup>6</sup> Federated Local Exchange Tariff, Section 2, page 11

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

<sup>8</sup>Federated Local Exchange Tariff, Section 2, page 17

10. Affordability – The local exchange services offered to Federated customers for universal service offerings are within the range of the announced Federal Communications Commission (“FCC”) 2021 Annual Urban Rate Survey rates.<sup>9</sup> Federated’s basic service offerings rates are identified in its Local Exchange Services<sup>10</sup> tariff. Federated will provide the benefit of Lifeline discounts to qualifying subscribers.
11. Commitment to Service Quality - As noted in Paragraph E.7 above, Federated is a certified CLEC in Minnesota is subject to, and complies with, the Commission's Rules pertaining to service quality and consumer protection.

### ***ETC CERTIFICATION***

12. Request for Certification - Federated requests that the Commission certify its use of support effective as of the date of Federated’s ETC designation for the Proposed Expanded Service Area.

### ***CONCLUSION***

13. Federated meets the requirements of both state and federal laws and regulations for designation as an Eligible Telecommunications Carrier in the requested Proposed RDOF Service Area. Pursuant to [47 USC § 214\(e\)](#), the Commission should designate Federated as an Eligible Telecommunications Carrier for the expanded Proposed RDOF Service area. In so doing, the Commission will ensure that consumers in the expanded RDOF 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 expanded Service Area will benefit and the public interest will be served if Federated’s Petition is approved.

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<sup>9</sup> WC Docket 10-9, Announcement from the Wireline Competition Bureau and Office of Economics and Analytics issued 11-30-20.

<sup>10</sup> Federated Local Exchange Tariff, Section 4, page 2

Therefore, Federated respectfully requests that the Commission:

- A. Approve Federated Telephone Cooperative petition as a ETC for receipt of federal universal service support with respect to the expanded Proposed RDOF Service Area specified in this Petition;
- B. For such other and further relief as the Commission may deem just and reasonable.

Dated: January 26<sup>th</sup>, 2021

By: /s/Mary T. Buley  
Mary T. Buley

CONSULTANT FOR FEDERATED  
TELEPHONE COOPERATIVE

**VERIFICATION**

The undersigned, Kevin Beyer, CEO and General Manager of Federated 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,

Federated Telephone Cooperative

By: /s/Kevin Beyer

Kevin Beyer

CEO and General Manager

**AFFIDAVIT OF SERVICE**

In the Matter of the Petition of Federated Telephone Cooperative   MPUC Docket No.: \_\_\_\_\_  
for Expansion of its Designation as an Eligible  
Telecommunications Carrier

I, Mary T. Buley, state that on January 26<sup>th</sup>, 2021 I caused copies of the attached Notice regarding the filing of Federate Telephone Cooperative application for expanded designation as a Eligible Telecommunications Carrier to be filed using efile Service, email or mailed by United States first class mail postage prepaid thereon, to the following persons:

Will Seuffert (efile) Executive Secretary	Linda Chavez (efile) Minnesota Department of Commerce
Kevin Beyer (e-mail) Federated Telephone Company	Jason Topp (e-mail) CenturyLink (Qwest) Embarq



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**

FEDERATED TELEPHONE COOPERATIVE D/B/A FEDERATED TELEPHONE  
MORRIS, MINNESOTA

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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 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) The 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. This applies only to Companies providing local telephone service only.

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. The 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: 2-1-11

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Deposit and Guarantee Requirements (cont.)

FEDERATED TELEPHONE COOPERATIVE D/B/A FEDERATED TELEPHONE  
MORRIS, MINNESOTA

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GENERAL REGULATIONS

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9. CREDIT POLICY (Continued)

B. Deposit (Continued) (1-8-2020)

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.

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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.
- 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.

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Effective: 1-8-2020

Customer Billing

FEDERATED TELEPHONE COOPERATIVE D/B/A FEDERATED TELEPHONE  
MORRIS, MINNESOTA

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GENERAL REGULATIONS

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9. CREDIT POLICY (Continued)

B. Deposit (Continued) (1-8-2020)

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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

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- 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.
- 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.

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Effective: 1-8-2020

**Customer Complaint and Disputes Federated CLEC Tariff**

FEDERATED TELEPHONE COOPERATIVE D/B/A FEDERATED TELEPHONE  
MORRIS, MINNESOTA

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GENERAL REGULATIONS

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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 received at a customer's service location.
- 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) 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:

508 Atlantic Avenue  
PO Box 107  
Morris, MN 56267  
Phone (320) 585-4875

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 customer occurs, due either to Company or customer 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:

Minnesota Public Utilities Commission  
Consumer Affairs Office  
121 Seventh Place East, Suite 350  
Saint Paul, Minnesota 55101-2147  
Telephone (651) 296-0406  
Toll Free (800) 657-3782  
TTY (651) 297-1200  
Fax (651) 297-7073  
Email CAOstaff@pucgate.puc.state.mn.us

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Effective: 2-1-11

**Disconnection and notice requirements**

FEDERATED TELEPHONE COOPERATIVE D/B/A FEDERATED TELEPHONE  
MORRIS, MINNESOTA

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GENERAL REGULATIONS

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25. DISCONNECTION OF TELECOMMUNICATIONS SERVICE

- A. The company may discontinue service to a customer without notice under the following conditions:
- 1) In the event of tampering with the company's equipment;
  - 2) In the event of a condition determined to be hazardous to the customer, to other customers of the company, to the company's equipment, the public, or to employees of the company; or
  - 3) In the event of a customer's use of equipment in such a manner as to adversely affect the company's equipment or the company's service to others.
- B. The company may discontinue telecommunications service to a customer under the following conditions after giving customer five (5) days' (excluding Sundays and legal holidays) notice:
- 1) For failure of the customer to pay a bill for service when due;
  - 2) For failure of the customer to meet the company's deposit and credit requirements;
  - 3) For failure of the customer to make proper application for service;
  - 4) For customer's violation of any of the company's rules on file with the Commission;
  - 5) For failure of the customer to provide the company reasonable access to its equipment and property;
  - 6) For customer's breach of the contract for service between the company and the customer;
  - 7) For a failure of the customer to furnish such service, equipment, and/or rights-of-way necessary to serve said customer as shall have been specified by the utility as a condition of obtaining service; or
  - 8) When necessary for the utility to comply with any order or request of any governmental authority having jurisdiction.
- C. Telecommunications service will not be disconnected on any Friday, Saturday, Sunday, or legal holiday, or at any time when the company's business offices are not open to the public, except where an emergency exists.

26. REFUSAL OF TELECOMMUNICATIONS SERVICE

The Company may refuse to furnish telecommunications service if it has reasonable cause to believe that the service will be used in violation of, or noncompliance with, any of the regulations or other conditions contained in this Tariff governing the furnishing of such service. If the Company so refuses to furnish service it will inform the applicant of their right to complain to the Minnesota Public Utilities Commission. If the Commission shall, upon hearing such complaint, determine that the service will not be used in violation of any of the regulations or other conditions contained in this Tariff, the service will be promptly furnished.

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Effective: 2-1-11

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**Lifeline and MN TAP (cont.)**

FEDERATED TELEPHONE COOPERATIVE D/B/A FEDERATED TELEPHONE  
MORRIS, MINNESOTA

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GENERAL SERVICES

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 basic local residential exchange access 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 to a low income residential customers telephone, mobile or broadband service charges. Monthly Lifeline discounts provided in connection with the Company's local telephone service will first be applied against the customers Federal End User Common Line Charge. Any remaining lifeline discount will then be applied against charges for the subscriber's local telephone service. (T)
- b. Federal Universal Service Charge (FUSC) will not be billed to Lifeline customers.
- c. Local service for Lifeline subscribers may not be disconnected for non-payment of toll charges. (T)
  - 1). Toll Restriction Service will be provided to Lifeline subscribers at no charge.
  - 2). Lifeline 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 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 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. (T)
- 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 Benefit Program

Effective: 1-3-20

Lifeline and TAP

FEDERATED TELEPHONE COOPERATIVE D/B/A FEDERATED TELEPHONE  
MORRIS, MINNESOTA

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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 for Lifeline Assistance if the applicant receives benefits from at least one of the following programs: (T)

- 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 consumer 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 Assistance 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: 1-27-17

**Lifeline and TAP**

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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.

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/>

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Basic Rates:

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LOCAL EXCHANGE SERVICE

PACKAGE PRICING

Rates

Exchanges: – Appleton, Benson, Beardsley, Clinton, Graceville, Kerkhoven, Morris, Murdock, Ortonville Pennock and Sunburg

Class of Service	<u>Monthly Rates</u>
Residential:	
Basic	\$ 22.50 (l)
Business:	
Basic	\$ 33.50

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

Installation fees and service charges are in Section 6 of this tariff.

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Effective: 1-1-19

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Exhibit 3  
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