Thomas Burns 651.621.8322 – Direct 651.621.8323 – Facsimile tgburns@otcpas.com



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October 15, 2018

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 Consolidated Telephone Company for Designation as an Eligible Telecommunications Carrier (ETC)

Dear Mr. Wolf:

Enclosed via eFiling please find the Original Filing, Summary of Filing, and Petition for Designation as an Eligible Telecommunications Carrier, and Affidavit of Service in the above entitled Docket on behalf of Consolidated Telephone Company.

Sincerely,

/s/ Thomas G. Burns

Thomas G. Burns Consultant

STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange Chair
Dan Lipschultz Vice Chair
Matt Schuerger Commissioner
John Tuma Commissioner
Katie Siebin Commissioner

In the Matter of the Petition of Consolidated MPUC Docket No.:______

Telephone Company for Designation as an Eligible
Telecommunications Carrier

ORIGINAL FILING

Consolidated Telephone Company requests the Minnesota Public Utilities Commission for an order designating it as an Eligible Telecommunications Carrier ("ETC").

The filing includes the following attachments:

Attachment 1 One paragraph summary of the filing in accordance with Minn. Rules pt. 7829.1300.

Attachment 2 Petition for Designation as an ETC, 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: Consolidated Telephone Company

1102 Madison Street

Brainerd, Minnesota 56401-0972

Date of Filing October 11, 2018

Controlling Statute for Time

in Processing the Filing

Minn. Rules pt. <u>7811.1400</u>, subp. 12

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

/s/ Thomas G. Burns

Thomas Burns Consultant

STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange	Chair
Dan Lipschultz	Vice Chair
Matt Schuerger	Commissioner
John Tuma	Commissioner
Katie Siebin	Commissioner
	MDUCD 1 A

In the Matter of the Petition of Consolidated MPUC Docket No.:_____

Telephone Company for Designation as an Eligible

Telecommunications Carrier

SUMMARY OF FILING

Consolidated Telephone Company requests the Minnesota Public Utilities Commission for an order designating it as an Eligible Telecommunications Carrier.

STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy LangeChairDan LipschultzVice ChairMatt SchuergerCommissionerJohn TumaCommissionerKatie SiebinCommissioner

In the Matter of the Petition of Consolidated MPUC Docket No.: ______
Telephone Company for Designation as an Eligible
Telecommunications Carrier

PETITION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

Consolidated Telephone Company ("CTC") hereby petitions the Minnesota Public Utilities Commission for designation as an Eligible Telecommunications Carrier ("ETC") for the purpose of receiving high cost support and in order to participate in the federal Lifeline program.

In support of its Petition, CTC states as follows:

1) The legal name, address and telephone number of the Petitioner and its designated contact person are as follows:

Consolidated Telephone Company 1102 Madison Street Brainerd, Minnesota 56401-0972 Contact: Mark Roach 218.454.1104

- 2) The name and title of the officer or representative of CTC authorizing this petition: Kristi Westbrock is the signatory to this petition.
- 3) The proposed effective date of designation of eligibility to receive Universal Service Support:

Immediately upon the Commission's issuance of an Order approving this Petition.

- 4) The service area for which designation is sought ("Proposed Service Area"), the local exchange carrier and whether the local exchange carrier is a rural telephone company is set forth following:
 - a) The Aitkin, Bennettville, Browerville, Crosby, Deerwood and Long Prairie exchanges where Embarq MN is the incumbent local exchange carrier; and
 - b) The Brainerd, Little Falls, Nisswa, and Staples exchanges where Qwest Corporation is the incumbent local exchange carrier..

- c) CTC does not believe either Embarq MN or Qwest Corporation is a rural telephone company as define in 47 USC § 153(44).
- d) A map of the Proposed Service Area is attached as **Exhibit 1**.
- 5) CTC's petition for designation as an ETC for the Service Area is consistent with the public interest, convenience and necessity, and satisfies the requirements for receiving high cost support under state and federal law, for the following reasons:

CONSOLIDATED TELEPHONE COMPANY POSSESSES THE INTENT AND CAPABILITY OF PROVIDING SERVICE UPON REASONABLE CUSTOMER REQUEST THROUGHOUT THE SERVICE AREA

- 6) CTC's Regulatory Authority The Commission granted CTC authority to provide local exchange service in the Brainerd, Little Falls, Nisswa, and Staples exchanges area in Docket No. P406/NA-04-1212, and subsequently expanded CTC's authority to include the Embarq MN exchanges of Aitkin, Bennettville, Browerville, Crosby, Deerwood and Long Prairie in Docket No. P-406/SA-16-290 (other exchanges areas were also added in this Docket).
- 7) CTC's Facilities and Commitment to Serve CTC will provide broadband and voice telephone over its fiber-optic facilities. CTC is committed to provide service to all customers making a reasonable request for service. CTC certifies that it will: (a) provide service on a timely basis to requesting customers within the Service Area where CTC'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 Proposed Service Area but not passed by CTC's current network facilities, if service can be provided at reasonable cost by constructing network facilities.
- 8) <u>CTC's Basic Universal Service Offering</u> CTC will provide voice telephony and broadband services in the Service Area. The services CTC offers meet the Basic Local Service requirements under <u>Minn. Rule 7812.0600</u>. CTC has the ability and the intention to provide the voice telephony services required by <u>47 CFR § 54.101(a)</u>¹:
 - 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 consumers²
- 9) The Lifeline service offering will be made available throughout the Proposed Service Area to qualifying customers upon its designation as an ETC. CTC's tariffs address customer eligibility provisions and the availability of subsidies under the Lifeline program³ and the

¹ <u>FCC Connect America Order 11-161 rel. November 18, 2011</u> at ¶ 76-81 discusses the changes to 47 CFR § 51.101 and the required voice service offerings

²Consolidated Local Exchange Tariff Book Section 5 page 23, paragraph 1 c. 1) (Toll Restriction reference)

³ Consolidated Local Exchange Tariff Book Section 5 page 23 (Lifeline Program reference)

Minnesota Telephone Assistance Plan⁴. The applicable sections of CTC's tariff are attached as <u>Exhibit 2</u>. CTC is committed to providing the supported services throughout the Service Area to customers who make a request for such services. The local usage plans offered are comparable to those offered by the incumbent local exchange carriers. CTC'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.

- 10) CTC's Advertising Plan CTC currently advertises its services through several different channels of general distribution, including newspaper, and direct mail. CTC 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 Service Area will be listed continuously on CTC's web site: https://www.goctc.com. The service offering will also be published at least annually in the local newspaper, and will be posted at the CTC office in Brainerd, MN.
- 11) CTC's 5-Year Plan for Use of Universal Service Support Under the FCC's Connect America Fund II ("CAF II") program, CTC will receive high cost support to build out its network within specified census blocks (a subset of the Proposed Service Area). CTC would participate in the Lifeline program throughout its Proposed Service Area. A listing of the census blocks where CAF II high costs support has been awarded is included in Exhibit 1.
- 12) <u>CTC's Ability to Remain Functional in Emergency Situations</u>. CTC's network will remain functional in emergency situations:
 - a) Commercial power outage: The central office serving CTC's customers is equipped with electrical generators and battery power supply to provide service in the event of a commercial power outage.
 - b) Network failure: The interoffice facilities serving the Service Area are on a diverse routed fiber optic ring, which if cut will be automatically rerouted.
- 13) CTC complies with the Commission's Rules in Chapter <u>7810</u> establishing minimum standards on various operational matters, such as 7810.3900 (Emergency Operations); 7810.4900 (Adequacy of Service); and 7810.5300 (Dial Service Requirements).
 - a) CTC's Satisfaction of Consumer Protection and Service Quality Standards CTC, is subject to, and complies with, the Commission's Rules pertaining to service quality and consumer protection. CTC's tariff has specific provisions outlining the following terms addressing consumer protection issues:
 - Deposit and guarantee requirements⁵
 - Customer Billing⁶
 - Appropriate handling of customer complaints and billing disputes⁷
 - Disconnection and notice requirements⁸

⁴ Consolidated Local Exchange Tariff Book Section 5 page 23 (MN TAP reference)

⁵ Consolidated Local Exchange Tariff, Section 2, Pages 10-11 (Deposit & Guarantee)

⁶ Consolidated Local Exchange Tariff, Section 2, Page 11 (Customer Billing)

⁷ Consolidated Local Exchange Tariff, Section 2, Page 12 (Customer complaint and billing disputes)

⁸ Consolidated Local Exchange Tariff, Section 2, Page 11 (Disconnect and notice)

- b) The specific provisions in CTC's tariff, as well as the Commission's service quality rules by which CTC is bound, will apply throughout the Service Area and assure a high level of service quality and consumer protection.
- c) <u>CTC's Acknowledgement Regarding Equal Access</u> CTC will provide equal access to long distance carriers within the Service Area.

DESIGNATING CONSOLIDATED TELEPHONE COMPANY AS AN ETC IN THE SERVICE AREA WILL SERVE THE PUBLIC INTEREST

- 14) <u>Public Interest</u> Designation of CTC as an additional ETC in the Service Area is in the public interest, as determined under the standards of <u>47 CFR § 54.202(c)</u> and the Commission's Order issued October 31, 2005, in Docket No. P999/M-05-1169. Consumers will benefit from an increased choice in service providers, and there are unique advantages to CTC's service offering.
- 15) <u>Superior Service Offering</u> CTC believes its service offerings are superior to that received by the ILECs' customers in the Service Area. CTC presently has fiber to the home in Service Area and plans to place fiber to the home going forward, offering a technically superior network to that of ILECs.
 - CTC 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.
- 16) <u>Affordability</u> The local exchange services offered to CTC's customers for universal service offerings are within the range of the ILEC's tariffed rates in the Service Area. CTC's basic service offerings rates are identified in its Local Exchange Services tariff.⁹

	Embarq MN				Consolidated			
	Busi	ness	Residence		Business		Residence	
Location	MRC	EAS	MRC	EAS	MRC	EAS	MRC	EAS
		Add.		Add.		Add.		Add.
Aitkin	\$29.18	\$0.00	\$14.59	\$0.00	\$24.95	\$0.00	\$14.95	\$0.00
Bennettville	\$29.18	\$1.50	\$14.59	\$0.78	\$24.95	\$0.00	\$14.95	\$0.00
Browerville	\$29.18	\$1.50	\$14.59	\$0.78	\$45.35	\$0.00	\$19.95	\$0.00
Crosby	\$29.18	\$1.10	\$14.59	\$0.50	\$28.20	\$0.00	\$14.05	\$0.00
Deerwood	\$29.18	\$1.50	\$14.59	\$0.78	\$24.95	\$0.00	\$14.95	\$0.00
Long Prairie	\$29.18	\$0.00	\$14.59	\$0.00	\$24.95	\$0.00	\$14.95	\$0.00

_

⁹ Consolidated Local Exchange Tariff, Section 4, Page 9 (Basic offering rates)

	Qwest				Consolidated			
	Busin	ness Residence		Business		Residence		
Location	MRC	EAS	MRC	EAS	MRC	EAS	MRC	EAS
		Add.		Add.		Add.		Add.
Brainerd	\$34.61	\$1.02	\$15.95	\$0.44	\$24.95	\$0.00	\$14.95	\$0.00
Little Falls	\$34.61	\$2.62	\$15.95	\$1.06	\$24.95	\$0.00	\$14.95	\$0.00
Nisswa	\$34.61	\$4.26	\$15.95	\$1.76	\$24.95	\$0.00	\$14.95	\$0.00
Staples	\$34.61	\$1.28	\$15.95	\$0.52	\$24.95	\$0.00	\$14.95	\$0.00

In addition, CTC will provide the benefit of Lifeline discounts to qualifying subscribers.

- 17) <u>Commitment to Service Quality</u> As noted in Paragraph 1) above, CTC is a certified CLEC in Minnesota is subject to, and complies with, the Commission's Rules pertaining to service quality and consumer protection.
- 18) No Negative Impact on Universal Service Fund As noted in Paragraph 11), Ctc would only use federal high cost support consistent with FCC orders related to the Connect America Fund II reverse auction.

ETC CERTIFICATION

- 19) <u>Request for Certification</u> Consolidated Telephone Company requests that the Commission certify its use of support effective as of the date of Consolidated's ETC designation for the Service Area.
- 20) <u>Consolidated Telephone Comapny's Certification</u> In support of its certification request, Consolidated Telephone Company hereby states that it will only receive high cost support for construction in Proposed Service Area as was awarded by the FCC in the CAF II reverse auction.

CONCLUSION

21) Consolidated Telephone Company meets the requirements of both state and federal laws and regulations for designation as an Eligible Telecommunications Carrier in the requested Service Area. Pursuant to 47 USC § 214(e), the Commission should designate Consolidated Telephone Company as an Eligible Telecommunications Carrier for the Service Area. In so doing, the Commission will ensure that consumers in the Proposed 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 Consolidated's Petition is approved and it is designated as an ETC.

Wherefore, Consolidated Telephone Company respectfully requests that the Commission:

- a) Designate Consolidated Telephone Company as an ETC for the purpose of receiving high cost support within the census blocks specified in the CAF II reverse auction; and
- 22) Designate Consolidated Telephone as an ETC for the purpose of participating in the Lifeline program throughout is Proposed Service Area.

VERIFICATION

The undersigned, Kristi Westbrock, Chief Executive Officer and General Manager of Consolidated Telephone Company, certifies that she has reviewed this Petition and the facts stated therein, of which she has personal knowledge, are true and correct to the best of her knowledge and belief.

Respectfully submitted,

Consolidated Telephone Company

Bv:

Kristi Westbrock CEO/General Manager

Subscribed and sworn to before me this 15 day of October 2018

Isa a. He Hola

Notary Public

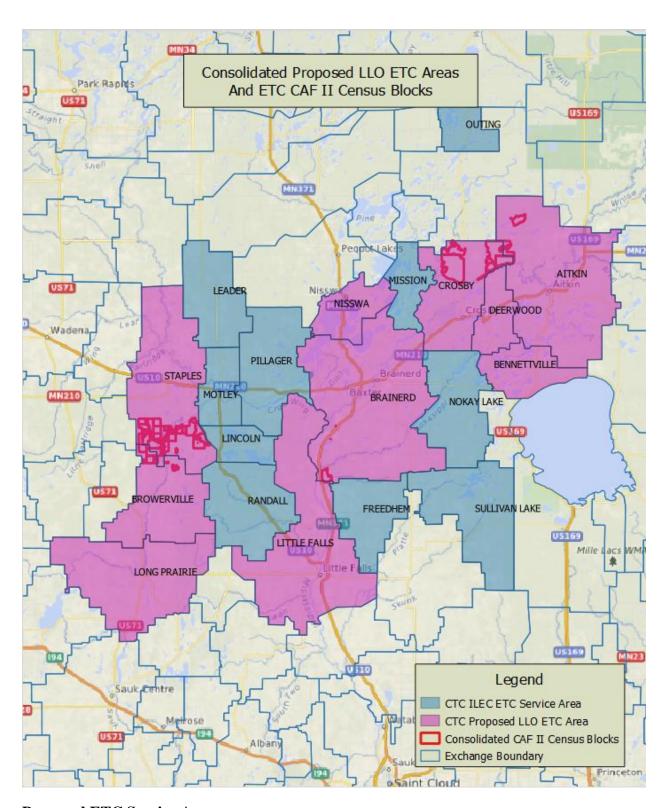
LISA A. HEITTOLA
NOTARY PUBLIC - MINNESOTA
My Comm. Exp. Jan. 31, 2020

AFFIDAVIT OF SERVICE

In the Matter of the Petition of Consolidated	MPUC Docket No.:	
Telephone Company for Designation as an		
Eligible Telecommunications Carrier		

I, <u>Thomas Burns</u>, state that on <u>October 15, 2018</u>, I caused copies of the attached Notice regarding the filing of Consolidated Telephone Company's application for designation as an 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 (eFile)	Linda Chavez (eFile)
Executive Secretary	Minnesota Department of Commerce
Julie Anderson (eFile)	Jason Topp (eFile)
Assistant Attorney General	CenturyLink
Kristi Westbrock (eFile)	
Consolidated Telephone Company	



Proposed ETC Service Areas:

Embarq MN: Aitkin, Bennettville, Browerville, Crosby, Deerwood and Long Prairie exchanges; **Qwest Corporation**: Brainerd, Little Falls, Nisswa, and Staples exchanges

HIGH COST SUPPO	RT AREAS		
Census Block	Exchange	Census Block	Exchange
271537904004094	STAPLES	271537904004055	STAPLES
271537904004045	STAPLES	271537904004031	STAPLES
271537904004018	STAPLES	271537904004038	STAPLES
271537904004024	STAPLES	271537904004025	STAPLES
271537904004057	STAPLES	271537904004129	BROWERVILLE
271537904004078	STAPLES	271537904004062	BROWERVILLE
271537904004035	STAPLES	271537904004058	BROWERVILLE
271537904004020	STAPLES	271537904004055	BROWERVILLE
271537904004041	STAPLES	271537904004161	BROWERVILLE
271537904004043	STAPLES	271537904004061	BROWERVILLE
271537904004046	STAPLES	271537904004064	BROWERVILLE
271537904004068	STAPLES	271537904004160	BROWERVILLE
271537904004022	STAPLES	271537904004158	BROWERVILLE
271537904004010	STAPLES	271537904004039	BROWERVILLE
271537904004107	STAPLES	271537904004162	BROWERVILLE
271537904004042	STAPLES	271537904004060	BROWERVILLE
271537904004014	STAPLES	271537904004043	BROWERVILLE
271537904004061	STAPLES	271537904004053	BROWERVILLE
271537904004012	STAPLES	271537904004156	BROWERVILLE
271537904004015	STAPLES	271537904004152	BROWERVILLE
271537904004039	STAPLES	270359501002228	DEERWOOD
271537904004029	STAPLES	270359514001028	BRAINERD
271537904004003	STAPLES	270359514001017	BRAINERD
271537904004106	STAPLES	270359514001097	BRAINERD
271537904004105	STAPLES	270359501002163	CROSBY
271537904004100	STAPLES	270359501002222	CROSBY
271537904004026	STAPLES	270359501002154	CROSBY
271537904004021	STAPLES	270359501002131	CROSBY
271537904004053	STAPLES	270359501002220	CROSBY
271537904004059	STAPLES	270359501002167	CROSBY
271537904004049	STAPLES	270359501002228	CROSBY
271537904004016	STAPLES	270359501002218	CROSBY
271537904004013	STAPLES	270359501002156	CROSBY
271537904004037	STAPLES	270359514001097	LITTLE FALLS
271537904004032	STAPLES	270359501002115	AITKIN
271537904004027	STAPLES	270359501002131	AITKIN
271537904004058	STAPLES	270359501002218	AITKIN
271537904004075	STAPLES	270359501002201	AITKIN

The selected tariff pages following address:

- Deposit and guarantee requirements and Customer Billing
- Customer Complaints and Billing Disputes
- Disconnection and notice requirements
- Lifeline Assistance and MN Telephone Assistance Plan (MN TAP)
- Basic Local Service Rates

Deposits and guarantee requirements and Customer Billing

CONSOLIDATED TELEPHONE COMPANY AND CONTEL SYSTEMS, INC. D/B/A CONSOLIDATED TELECOMMUNICATIONS COMPANY BRAINERD. MINNESOTA Section 2 Page 10 Original

GENERAL REGULATIONS

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:

- 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.

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.

CONSOLIDATED TELEPHONE COMPANY AND CONTEL SYSTEMS, INC. D/B/A CONSOLIDATED TELECOMMUNICATIONS COMPANY BRAINERD, MINNESOTA

Section 2 Page 11 Original

GENERAL REGULATIONS

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. 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 Company may also accept, in lieu of deposit, customer payment via credit card or direct withdrawal from customer's bank account.

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

- 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.

Customer Complaint Billing Disputes

CONSOLIDATED TELEPHONE COMPANY AND CONTEL SYSTEMS, INC. D/B/A CONSOLIDATED TELECOMMUNICATIONS COMPANY BRAINERD, MINNESOTA

Section 2 Page 12 Original

GENERAL REGULATIONS

11. PAYMENT FOR SERVICE

D. Customer Complaints and/or Billing Disputes

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

Consolidated Telephone Company 14385 Edgewood Drive PO Box 2747 Baxter, MN 56425-2747 218-454-1234 Contel Systems, inc. 14385 Edgewood Drive PO Box 972 Baxter, MN 56425-2747 218-454-1234

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 over billing 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 over billed.

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

Disconnection Notice

CONSOLIDATED TELEPHONE COMPANY AND CONTEL SYSTEMS, INC. D/B/A CONSOLIDATED TELECOMMUNICATIONS COMPANY BRAINERD, MINNESOTA

Section 2 Page 11 Original

GENERAL REGULATIONS

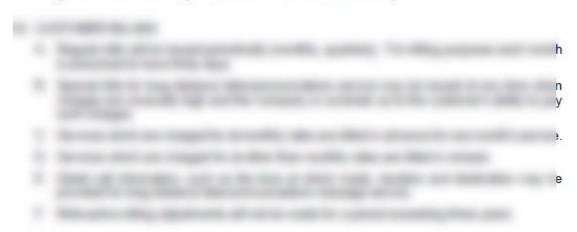
9.	CREDIT POLICY (Continued)

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 Company may also accept, in lieu of deposit, customer payment via credit card or direct withdrawal from customer's bank account.

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.



Lifeline and MN TAP

CONSOLIDATED TELEPHONE COMPANY AND CONTEL SYSTEMS, INC. D/B/A CONSOLIDATED TELECOMMUNICATIONS COMPANY BRAINERD, MINNESOTA

Section 5 Page 23 Revision 1

GENERAL SERVICES

LIFELINE ASSISTANCE AND MINNESOTA TELEPHONE ASSISTANCE PLAN (TAP)

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.

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.

Consolidated Telephone Company offers both the Lifeline Assistance the TAP Program in the Crosby Exchange; In all other exchanges if offers TAP only.

Contel Systems, Inc. offers both the Lifeline assistance and TAP programs.

General

- a. Lifeline provides for a federally-funded discount credit to a low income residential customer's 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 Federal End User Common Line Charge. Any remaining Lifeline discount will then be applied against changes for the subscriber's local telephone service
- Federal Universal Service Charge (FUSC) will not be billed to Lifeline customers.
- Local service for Lifeline subscribers may not be disconnected for non-payment of toll charges.
 - Toll Restriction Service will be provided to Lifeline subscribers at no charge.
 - Lifeline subscribers are not required to accept Toll Restriction Service as a condition to avoid disconnection of local service for non-payment of toll.
 - 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.
- Partial payments from Lifeline subscribers will be applied first to local service charges and then to toll charges.

Eligibility Requirements

- 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/Medical Assistance
 - Supplemental Nutrition Assistance Program (SNAP (fka Food Stamps)
 - Supplemental Security Income
 - Federal Public Housing Assistance
 - Veterans Pension Benefit Program

CONSOLIDATED TELEPHONE COMPANY AND CONTEL SYSTEMS, INC. D/B/A CONSOLIDATED TELECOMMUNICATIONS COMPANY BRAINERD, MINNESOTA

Section 5 Page 24 Original

GENERAL SERVICES

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

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:

- 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)
- 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.

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

Basic Service Rates

CONSOLIDATED TELEPHONE COMPANY
D/B/A CONSOLIDATED TELECOMMUNICATIONS COMPANY
BRAINERD, MINNESOTA

Section 4 Page 9 Revision 1

LOCAL EXCHANGE SERVICE

4.0 SERVICE DESCRIPTIONS AND RATES (cont)

4.3 A) Rates for exchanges served by Consolidated Telephone Company D/B/A Consolidated Telecommunications

Rate Zone 1 The following rate schedule applies to the exchanges of Aitkin, Bennettville, Brainerd, Deerwood, Little Falls, Long Prairie, Nisswa, Staples

Class of Service	Monthly Rates
BUSINESS:	
One Party – Single Use Line	\$ 24.95
Business System Line (Key system/PABX)	34.95
RESIDENCE:	
One Party	14.95
Rate Zone 1A The following rate schedule applies to the Co	rosby exchange
Class of Service	Monthly Rates
BUSINESS	
One Party – Single Line Use	\$ 28.20
Business System line (Key System /PABX)	28.20
RESIDENCE:	
One Party	14.05

Rate Zone 2 the following Rate Schedule applies to the exchanges of Grand Marais, Tofte, Hovland

Class of Service	Monthly Rates
BUSINESS: One Party – Single Use Line Business System Line (Key system/PABX)	\$ 45.35 65.35
RESIDENCE: One Party	19.95
Rate Zone 3 the following rate schedule applies to all additional exchanges listed on Section 4 Page 2	
Class of Service	Monthly Rates

an additional exchanges listed on section 41 age 2	
Class of Service	Monthly Rates
BUSINESS	
One Party – Single Line Use	\$ 45.35
Business System line (Key System /PABX)	65.35
RESIDENCE:	
One Party	19.95

- (1) See Section 6 for Non Recurring Charges
- (2) Rates listed include EAS service. In addition to the monthly rate, all Lines will be subject to an Interstate EUCL charge as listed in Company's Interstate Tariff
- (3) All rates are billed in advance. Payment for service is due on statement due date.