



Control Number: 41354



Item Number: 1

Addendum StartPage: 0

41354

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TAYLOR TELEPHONE COOPERATIVE, INC. PUBLIC UTILITY COMMISSION
FILING CLERK

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Echelon Building II, Suite 200
9430 Research Boulevard, Austin, TX 78759
phone: 512-338-0473, fax: 512-346-0822

April 5, 2013

Central Records Filing Clerk
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 78711

Re: Tariff Control No. 41354; *Notice of Taylor Telephone Cooperative, Inc. for Approval of a Minor Rate Change Pursuant to P.U.C. SUBST. R. 26.171*

Dear Filing Clerk:

On behalf of Taylor Telephone Cooperative, Inc. ("Taylor" or "Cooperative"), I have attached an original and six (6) copies of Taylor's notice for a minor rate change pursuant to P.U.C. SUBST. R. 26.171.

Please file-stamp the additional copies and return them to our courier. Your cooperation in this matter is greatly appreciated. You may direct any correspondence or questions to me at the above-listed address and telephone number.

Sincerely,

Dee Dee Longenecker
Authorized Representative for
Taylor Telephone Cooperative, Inc.

Enclosures

cc: Mr. Steve Singletary, General Manager/CEO
Taylor Telephone Cooperative, Inc.

HEADQUARTERS:

7852 Walker Drive, Suite 200, Greenbelt, MD 20770
phone: 301-459-7590, fax: 301-577-5575
internet: www.jsitel.com, e-mail: jsi@jsitel.com

Eaganale Corporate Center, Suite 310
1380 Corporate Center Curve, Eagan, MN 55121²
phone: 651-452-2660, fax: 651-452-1909

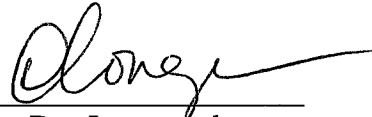
6849 Peachtree Dunwoody Road
Building B-3, Suite 200, Atlanta, Georgia 30328
phone: 770-569-2105, fax: 770-410-1608

547 South Oakview Lane
Bountiful, UT 84010
phone: 801-294-4576, fax: 801-294-5124

TAYLOR TELEPHONE COOPERATIVE, INC.

Certificate of Service

I hereby certify that a true and correct copy of this Notice has been served by facsimile distribution, hand delivery, or first class U.S. mail on this the 5th day of April, 2013, to the Public Utility Commission of Texas, Rate Regulation Division and to the Office of Public Utility Counsel.



Dee Dee Longenecker

TARIFF CONTROL NO. _____

NOTICE OF TAYLOR	§	PUBLIC UTILITY COMMISSION
TELEPHONE COOPERATIVE, INC.	§	
FOR APPROVAL OF A MINOR	§	OF TEXAS
RATE CHANGE PURSUANT	§	
TO P.U.C. SUBST. R. 26.171	§	

Taylor Telephone Cooperative, Inc. (“Taylor” or “Cooperative”), pursuant to P.U.C. SUBST. R. 26.171 and Public Utility Regulatory Act (PURA) Section 53, Subchapter G, submits this notice to increase residential and business access line rates in all of the Cooperative’s exchanges. Taylor is a small local exchange carrier (“SLEC”) as defined by P.U.C. SUBST. R. 26.5. The proposed increase is filed in accordance with P.U.C. SUBST. R. 26.171. Taylor states as follows:

(A) Introduction

Taylor is filing this notice for a minor rate change in an effort to raise residential rates to meet the local rate floor established by the Federal Communications Commission (“FCC”) in its USF/ICC Transformation Order¹ (“Order”). Through its Order, the FCC will reduce universal service support to the extent that a carrier’s residential rates (including state regulated fees) do not meet the urban rate floor. The FCC has indicated that carriers need to achieve a residential rate floor of fourteen dollars by June 1, 2013.² Accordingly, Taylor is proposing the enclosed rate changes to mitigate the impact of the FCC’s rule change.

(B) Customer Notice:

A copy of the customer notice is found in Attachment A, which is attached to this filing.

¹ *In the Matter of Connect America Fund; A National Broadband Plan for Our Future, etc...* WC Docket Nos. 10-90, etc., Report and Order, FCC Release No. 11-161 (Nov. 18, 2011), para. 238-239.

² Third Order on Reconsideration, FCC Release No. 12-52 (May 14, 2012), para. 19.

(C) **Provision of Notice:**

The Cooperative provided bill insert notice to all affected customers on April 1, 2013. Accordingly, notice to affected customers was provided more than 10 days prior to the proposed effective date of the Cooperative's revised tariffs. An affidavit supporting the completion of customer notice is included herein as Attachment B.

(D) **Waiver of Notice Requirements in P.U.C. SUBST. R. 26.171(d):**

The Cooperative is not requesting any waivers from the Commission's notice requirements as contained in P.U.C. SUBST. R. 26.171(d).

(E) **Board of Director's Resolution:**

A copy of the resolution adopted by Taylor's Board of Directors approving the proposed rate change is found in Attachment C.

(F) **Proposed Effective Date:**

The proposed effective date of the attached tariff is May 1, 2013, which is at least 10 days after the filing of this notice.

(G) **Description of the affected services and the category of customers affected by the proposed change:**

The Cooperative is proposing to increase single-line residential ("R-1") and single-line business ("B-1") access line rates by \$1.50 throughout the Cooperative's service territory. This increase represents a fourteen to sixteen percent increase for the affected residential customers. The rate changes will also impact the rates for Pay Telephone Access Service, which mirror the applicable B-1 Access Line rate. A complete description of the proposed changes is found in the proposed tariff attached herein as Attachment D.

(H) **Proposed Tariff:**

The proposed tariff sheets are found in Attachment D.

(I) Number of access lines served in Texas:

As of February 28, 2013, Taylor served 5,620 access lines in the State of Texas.

(J) Amount of Revenue Increase/Decrease:

The revenue effect of implementing the proposal contained herein results in an estimated increase to Taylor's total regulated intrastate gross annual revenues of \$101,232. This amount does not increase Taylor's regulated gross annual revenues by more than 5%. Calculations supporting the revenue effect are found in Attachment E.

(K) Notice affirming rates:

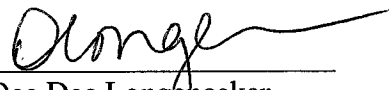
The Cooperative affirms that its proposed rates are just and reasonable, are not unreasonably preferential, prejudicial, or discriminatory, and are sufficient, equitable and consistent in notice to each class of customers, in accordance with PURA §53.003.

(L) Privacy Issues:

There are no customer privacy issues associated with this filing.

Respectfully submitted,

John Staurulakis, Inc.
9430 Research Boulevard, II-200
Austin, Texas 78759
Tel: (512) 338-0473
Fax: (512) 346-0822

By: 
Dee Dee Longenecker
Authorized Representative for
Taylor Telephone Cooperative, Inc.

ATTACHMENT A

CUSTOMER NOTICE

Taylor Telephone Cooperative, Inc. ("Taylor" or "Cooperative") will soon submit a notice with the Public Utility Commission of Texas ("Commission") to reflect an increase in the basic local access line rates for residential and business customers. These rate changes are being proposed in response to a recent decision by the Federal Communications Commission ("FCC") to reduce the Cooperative's universal service support if its local rates (plus state regulated fees) do not meet the rate floor that the FCC has established. Accordingly, Taylor is proposing the enclosed rate changes to mitigate the impact of the FCC's rule change.

Exchange Name	Current R-1 Rate	New R-1 Rate	Current B-1 Rate*	New B-1 Rate*
Bradshaw	\$ 10.15	\$ 11.65	\$ 11.15	\$ 12.65
Buffalo Gap	\$ 9.65	\$ 11.15	\$ 10.65	\$ 12.15
Crews	\$ 10.15	\$ 11.65	\$ 11.15	\$ 12.65
Hamby	\$ 10.65	\$ 12.15	\$ 15.15	\$ 16.65
Hawley	\$ 10.65	\$ 12.15	\$ 15.15	\$ 16.65
Lawn	\$ 9.65	\$ 11.15	\$ 10.65	\$ 12.15
Lueders	\$ 10.15	\$ 11.65	\$ 14.65	\$ 16.15
Nolan	\$ 10.15	\$ 11.65	\$ 11.15	\$ 12.65
Noodle	\$ 10.15	\$ 11.65	\$ 11.15	\$ 12.65
Norton	\$ 10.15	\$ 11.65	\$ 11.15	\$ 12.65
Nubia	\$ 10.15	\$ 11.65	\$ 11.15	\$ 12.65
Potosi	\$ 10.65	\$ 12.15	\$ 15.15	\$ 16.65
Tuscola	\$ 9.65	\$ 11.15	\$ 10.65	\$ 12.15
Wingate	\$ 10.15	\$ 11.65	\$ 11.15	\$ 12.65

* B-1 rates include rates for Pay Telephone Access Service.

The proposed changes will take effect May 1, 2013. The Commission will assign a control number to this proceeding once the notice is filed. The estimated net increase to Taylor's total regulated intrastate gross annual revenues due to the proposed increase is \$101,232. If the Commission receives a complaint(s) relating to this proposal signed by 5% or more of the Cooperative's customers to which this proposal applies prior to May 1, 2013, the notice will be docketed. The 5% threshold will be calculated based upon the total number of affected customers as of the calendar month preceding the Commission's receipt of the complaint(s). As of February 28, 2013, the 5% threshold equals approximately 281 customers. A request to intervene, participate, or for further information should be mailed prior to the effective date to the Public Utility Commission of Texas, P. O. Box 13326, Austin, Texas, 78711-3326 or you may call the Commission's Consumer Hotline at (888) 782-8477 or (512) 936-7120, or (800) 735-2989 for Relay Texas, or (512) 936-7136 for text telephone. For a copy of the proposed tariffs or for further information regarding this notice, customers should contact Taylor Telephone Cooperative, Inc. at 9796 North Interstate 20, P. O. Box 370 Merkel, Texas 79536 or call (325) 846-4111 during regular business hours.

ATTACHMENT B

AFFIDAVIT OF STEVE SINGLETARY

STATE OF TEXAS §
 §
COUNTY OF TAYLOR §

BEFORE ME, the undersigned authority on this day of April 3, 2013, personally appeared Steve Singletary, who being by me duly sworn on oath deposed and said:

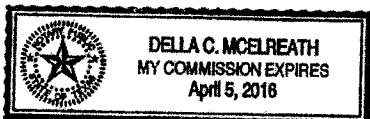
1. My name is Steve Singletary. My position with Taylor Telephone Cooperative ("Taylor") is General Manager/CEO. In my position, I am responsible for the operations of Taylor.
2. I am over 18 years of age and authorized to make the statements herein.
3. Customer notice was provided to all affected subscribers in customer bills on April 1, 2013, in accordance with P.U.C. SUBST. R. 26.171 and pertaining to the Notice of Taylor Telephone Cooperative, Inc. for Approval of a Minor Rate Change Pursuant to P.U.C. SUBST. R. 26.171.
4. In my personal knowledge, information, and belief, the facts as stated in the above are true and correct.


FURTHER AFFIANT SAYETH NOT.



Steve Singletary, General Manager/CEO

SUBSCRIBED AND SWORN TO BEFORE ME on this 3rd day of April, 2013, to certify which witness my hand and seal of office.





Notary Public in and for
the State of Texas

ATTACHMENT C

RESOLUTION AND CERTIFICATION

WHEREAS, Taylor Telephone Cooperative, Inc. proposes to file a notice to make a minor rate change to the access line rates for residential and business customers by utilizing the Public Utility Commission of Texas' ("Commission") Substantive Rule §26.171 for Small Incumbent Local Exchange Cooperative Regulatory Flexibility; and

WHEREAS, Taylor Telephone Cooperative, Inc.'s Board of Directors believes that this proposal is just and reasonable, is not unreasonably preferential, prejudicial, or discriminatory, and is sufficient, equitable, and consistent in notice to each class of customers,

NOW THEREFORE, the undersigned Directors resolve that this resolution was fully considered and approved at the March 26, 2013 board meeting and empowers duly authorized managers to proceed with obtaining Commission approval and implementing said rate changes.

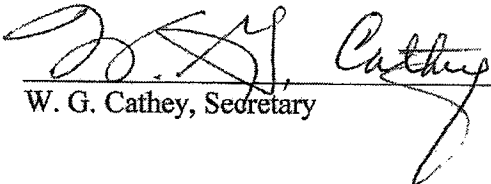
DATED this 26th day of March, 2013.

(Corporate Seal)




Tommy Cumby, President

ATTEST:


W. G. Cathey, Secretary

TAYLOR TELEPHONE COOPERATIVE, INC.

ATTACHMENT D

PROPOSED MEMBER SERVICE TARIFF REVISIONS

FOR

ACCESS LINE RATE INCREASES

April 5, 2013

Section

4

4

Sheet No.

9th Revised Page 2

7th Revised Page 3

MEMBER SERVICES TARIFF
 LOCAL EXCHANGE SERVICE

II. LOCAL EXCHANGE SERVICE RATES

A. Monthly Local Exchange Access Service Rates

Exchanges:	Bus. Acc. Line	Res. Acc. Line	Bus. Key/PBX Trk	Res. Key/PBX Trk
See Notes:				
Bradshaw (325-767) Winters (325-754)	12.65	11.65	16.50	15.00
Buffalo Gap (325-572) Lawn (325-583) Tuscola (325-554)	12.15	11.15	15.75	14.25
Crews (325-723) Winters (325-754)	12.65	11.65	16.50	15.00
Hamby (325-548) Abilene Exchange	16.65	12.15	22.50	15.75
Hawley (325-537) Abilene Exchange	16.65	12.15	22.50	15.75
Lawn (325-583) Buffalo Gap (325-572) Tuscola (325-554)	12.15	11.15	15.75	14.25
Lueders (325-228)	16.15	11.65	20.85	15.00
Nolan (325-798) Sweetwater Exchange	12.65	11.65	16.50	15.00
Noodle (325-736) Merkel (325-928) Nubia (325-846) Trent (325-862)	12.65	11.65	16.50	15.00

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MEMBER SERVICES TARIFF

LOCAL EXCHANGE SERVICE

II. LOCAL EXCHANGE SERVICE RATES (Cont'd)

A. Monthly Local Exchange Access Service Rates (Cont'd)

Exchanges:	Bus. Acc. Line	Res. Acc. Line	Bus. Key/PBX Trk	Res. Key/PBX Trk
See Notes:				
Norton (325-786) Ballinger (325-365)	12.65	11.65	16.50	15.00
Nubia (325-846) Merkel (325-928) Noodle (325-736) Trent (325-862)	12.65	11.65	16.50	15.00
Potosi (325-529) Abilene Exchange	16.65	12.15	22.50	15.75
Tuscola (325-554) Buffalo Gap (325-572) Lawn (325-583)	12.15	11.15	15.75	14.25
Wingate (325-743) Winters (325-754)	12.65	11.65	16.50	15.00

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TAYLOR TELEPHONE COOPERATIVE, INC.

ATTACHMENT E

Calculations Supporting Revenue Impact

Taylor Telephone Cooperative, Inc.
 ATTACHMENT E - Revenue Impact Analysis

Exchange Name	R-1 Rate	B-1 Rate*	R-1 Line Count	B-1 Line Count*	R-1 Increase	New R-1 Rate	B-1 Increase	New B-1 Rate	Annualized Rate Increase Revenue
Bradshaw	\$ 10.15	\$ 11.15			\$ 1.50	\$ 11.65	\$ 1.50	\$ 12.65	
Buffalo Gap	\$ 9.65	\$ 10.65			\$ 1.50	\$ 11.15	\$ 1.50	\$ 12.15	
Crews	\$ 10.15	\$ 11.15			\$ 1.50	\$ 11.65	\$ 1.50	\$ 12.65	
Hamby	\$ 10.65	\$ 15.15			\$ 1.50	\$ 12.15	\$ 1.50	\$ 16.65	
Hawley	\$ 10.65	\$ 15.15			\$ 1.50	\$ 12.15	\$ 1.50	\$ 16.65	
Lawn	\$ 9.65	\$ 10.65			\$ 1.50	\$ 11.15	\$ 1.50	\$ 12.15	
Lueders	\$ 10.15	\$ 14.65			\$ 1.50	\$ 11.65	\$ 1.50	\$ 16.15	
Nolan	\$ 10.15	\$ 11.15			\$ 1.50	\$ 11.65	\$ 1.50	\$ 12.65	
Noodle	\$ 10.15	\$ 11.15			\$ 1.50	\$ 11.65	\$ 1.50	\$ 12.65	
Norton	\$ 10.15	\$ 11.15			\$ 1.50	\$ 11.65	\$ 1.50	\$ 12.65	
Nubia	\$ 10.15	\$ 11.15			\$ 1.50	\$ 11.65	\$ 1.50	\$ 12.65	
Potosi	\$ 10.65	\$ 15.15			\$ 1.50	\$ 12.15	\$ 1.50	\$ 16.65	
Tuscola	\$ 9.65	\$ 10.65			\$ 1.50	\$ 11.15	\$ 1.50	\$ 12.15	
Wingate	\$ 10.15	\$ 11.15			\$ 1.50	\$ 11.65	\$ 1.50	\$ 12.65	
									<u>\$ 101,232</u>

*B-1 Rates and Line Counts include Pay Telephone Access Service

2011 Intrastate Gross Annual Revenues	\$	2,861,716.00
Percent Increase from New Annual Rate Increase Revenue		4%

CONFIDENTIAL DATA HAS BEEN
 REDACTED AND IS PROVIDED
 SEPARATELY UNDER SEAL