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October 2, 2014

RECEIVED

OCT 02 2014

PUBLIC SERVICE
COMMISSION

VIA HAND DELIVERY

Hon. Jeff R. Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort KY 40601-8294

Re: Tariff Filing of People Rural Telephone Cooperative Corporation, Inc., Case No. 2014-00305 before the Public Service Commission of the Commonwealth of Kentucky

Dear Mr. Derouen:

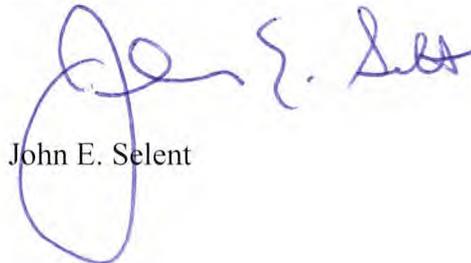
On behalf of Peoples Rural Telephone Cooperative Corporation, Inc., enclosed for filing with the Public Service of the Commonwealth of Kentucky are one (1) original and ten (10) copies of the following documents.

- 1) Application for a General Adjustment in Rates;
- 2) Motion for Waiver of Certain Rate Application Filing Requirements; and
- 3) Petition for Confidential Treatment

Thank you, and if you have any questions with regard to this matter, please call me.

Very truly yours,

DINSMORE & SHOHL LLP



John E. Selent

JES/bmt
Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

OCT 02 2014

PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF PEOPLES RURAL)
TELEPHONE COOPERATIVE CORPORATION,)
INC. FOR A GENERAL ADJUSTMENT IN RATES)

CASE NO. 2014-00305

**PETITION OF PEOPLES RURAL TELEPHONE COOPERATIVE
CORPORATION, INC. FOR CONFIDENTIAL TREATMENT**

Peoples Rural Telephone Cooperative Corporation, Inc. (“PRTC”) hereby petitions the Kentucky Public Service Commission (the “Commission”), pursuant to 807 KAR 5:001, Section 13, and KRS 61.878, to grant confidential treatment to certain information PRTC is contemporaneously filing with its application for a general adjustment in rates (the “Application”). The information PRTC seeks to protect as confidential is hereinafter referred to as the “Confidential Information.”

Pursuant to 807 KAR 5:001, Sections 13(2)(a)(3) and 13(2)(b), one (1) copy of the hardcopy pages containing Confidential Information, with the Confidential Information highlighted with transparent ink, printed on yellow paper, or otherwise marked “CONFIDENTIAL,” is being filed with this petition. A copy of those pages with the Confidential Information redacted is being filed with the original and each of the ten (10) copies of the application filed with this petition.

The Confidential Information is not publicly available, is not disseminated within PRTC except to those employees and professionals with a legitimate business need to know and act upon the information, and is not disseminated to others without a legitimate need to know and act upon the information.

If and to the extent the Confidential Information becomes generally available to the public, whether through filings required by other agencies or otherwise, PRTC will notify the Commission and have the information's confidential status removed pursuant to 807 KAR 5:001, Section 13(1)(b).

As discussed below, the Confidential Information is entitled to confidential treatment based upon KRS 61.878(1)(c)(1), which protects "records confidentially disclosed to an agency or required by an agency to be disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records."

APPLICABLE LAW

807 KAR 5:001, Section 13(2)(a), sets forth the procedure by which certain information filed with the Commission may be treated as confidential. The regulation provides that a party seeking confidential treatment of certain information must:

Establish specific grounds pursuant to KRS 61.878, upon which the Commission should classify that material as confidential;

State the time period in which the material should be treated as confidential and the reasons for the time period; and

Include[] in a separate sealed envelope marked confidential, one (1) copy of the material . . . which identifies by underscoring, highlighting with transparent ink, or other reasonable means only those portions which unless redacted would disclose confidential material.

The Kentucky Open Records Act, KRS 61.870, *et seq.*, exempts certain records from the requirement of public inspection. In particular, KRS 61.878(1)(c)(1) provides the following exemption from the requirement of public inspection:

records confidentially disclosed to an agency or required by an agency to be disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would present an unfair commercial advantage to competitors of the entity that disclosed the records.

ARGUMENT

I. Disclosure of the Confidential Information Would Grant PRTC's Competitors an Unfair Commercial Advantage

The Confidential Information identified in the exhibits to PRTC's Application consists of information related to the inner workings of PRTC, including financial and service usage details. This information "if openly disclosed would present an unfair commercial advantage to competitors" of PRTC, and it therefore qualifies as protectable confidential information pursuant to KRS 61.878(1)(c)(1).

The Confidential Information on pages 5 and 6 of Exhibit 1 consists of data related to the revenue changes due to adjustment of terminating access rates pursuant to the Federal Communications Commission's November 18, 2011 Order reforming intercarrier compensation and the Universal Service Fund (the "ICC/USF Order").

The Confidential Information in Exhibit 1, Attachment B contains detailed subscriber line data and service usage information.

The Confidential Information in Exhibit 1, Attachment C contains detailed historical and projected subscriber service usage and revenue information, including the number of customers subscribed, or projected to be subscribed, to specific services and the amount of revenue derived, or projected to be derived, from those services.

The Confidential Information in Exhibit 5 consists of PRTC's confidential RUS operating report, which includes PRTC's operating expenses and revenues, including detailed financial information related to unregulated activities.

The highlighted information contained in PRTC's Application would result in an "unfair commercial advantage to competitors" of PRTC if disclosed. PRTC, as a participant in the telecommunications market, faces economic competition from other entities in the same market. PRTC competes in the telecommunications market to sell telecommunication services to customers. With the increased penetration of alternatives to basic local service such as VoIP and wireless services, PRTC faces an increasingly competitive market. PRTC's ability to successfully compete against other entities in the telecommunications market would be adversely affected by the disclosure of its internal financial and service usage information. Therefore, PRTC has "competitors" as is contemplated under the statute and faces actual competition from other market participants.

The Confidential Information for which PRTC seeks confidential treatment under KRS 61.878(1)(c)(1) is generally recognized as confidential or proprietary under Kentucky law. In the 2013 Rate Floor Proceedings, the Commission granted confidential treatment to comparable information "related to the revenue changes due to adjustment of terminating access rates pursuant to the Federal Communications Commission's Order dated November 18, 2011." *See, e.g., In the Matter of Tariff Filing of Duo County Coop. Corp., Inc.*, Ky. P.S.C. Case No. 2013-00184, Order (Sep. 18, 2014). In addition, information about a company's detailed inner workings is generally recognized as confidential or proprietary. *See, e.g., Hoy v. Ky. Indus. Revitalization Auth.*, 907 S.W.2d 766, 768 (Ky. 1995) ("It does not take a degree in finance to recognize that such information concerning the inner workings of a corporation is 'generally

recognized as confidential or proprietary”); *Marina Mgmt. Servs. v. Cabinet for Tourism*, 906 S.W.2d 318, 319 (Ky. 1995) (“The most obvious disadvantage may be the ability to ascertain the economic status of the entities without the hurdles systematically associated with the acquisition of such information about privately owned organizations.”).

The disclosure of this confidential and proprietary information would provide competitors an unfair competitive advantage, allowing them insight into PRTC’s financial position and giving them the ability to unfairly tailor their competitive efforts against PRTC in light of this Confidential Information. For these reasons, PRTC respectfully requests that the Commission grant confidential treatment to the Confidential Information.

II. Time Period

Pursuant to 807 KAR 5:001, Section 13(2)(a)(2), PRTC requests that the Confidential Information remain confidential for a period of five (5) years from the date of this petition, which should allow sufficient time for the projected data to become sufficiently outdated that it could not be used to determine similar Confidential Information at that time.

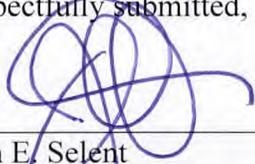
CONCLUSION

Based on the foregoing, the Confidential Information is entitled to confidential treatment. If the Commission disagrees that PRTC is entitled to confidential treatment, due process requires the Commission to hold an evidentiary hearing. *Utility Regulatory Comm’n v. Kentucky Water Serv. Co., Inc.*, 642 S.W.2d 591 (Ky. App. 1982).

WHEREFORE, PRTC respectfully requests that the Commission classify and protect as confidential the Confidential Information.

On this the 2nd day of October, 2014.

Respectfully submitted,



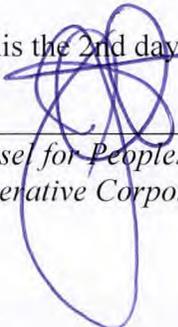
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*Counsel for Peoples Rural Telephone
Cooperative Corporation, Inc.*

CERTIFICATE OF SERVICE

I certify that, on the date this Petition for Confidential Treatment was filed or served with the Kentucky Public Service Commission, a true and accurate copy of the foregoing was served by Federal Express or by hand delivery upon the persons listed below.

Kentucky Attorney General
Office of Rate Intervention
700 Capitol Avenue, Suite 118
Frankfort, Kentucky 40601-3449

On this the 2nd day of October, 2014.



*Counsel for Peoples Rural Telephone
Cooperative Corporation, Inc.*

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

OCT 02 2014

PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF PEOPLES RURAL) CASE NO. 2014-00305
TELEPHONE COOPERATIVE CORPORATION,)
INC. FOR A GENERAL ADJUSTMENT IN)
RATES)

**MOTION FOR WAIVER OF CERTAIN
RATE APPLICATION FILING REQUIREMENTS**

Peoples Rural Telephone Cooperative Corporation, Inc. (“PRTC”), by counsel, and pursuant to 807 KAR 5:001 Section 16(10), hereby moves the Public Service Commission of the Commonwealth of Kentucky (the “Commission”) for waiver, for good cause, of certain filing requirements set forth in 807 KAR 5:001, Section 16, in connection with the contemporaneous filing of its rate adjustment application (the “Application”). In support of its request, PRTC states as follows.

INTRODUCTION

PRTC files its Application in order to adjust its rates to comply with the 2014 rate floor imposed by the Federal Communications Commission (“FCC”). *See In the Matter of Connect America Fund, et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (Nov. 18, 2011) (“ICC/USF Order”). Several carriers filed similar rate floor proceedings last year to comply with the FCC’s 2013 rate floor (the “2013 Rate Floor Proceedings”). In the 2013 Rate Floor Proceedings, the Commission recognized “the mandatory and time-sensitive nature of the FCC’s rate floor, and that all of the information specified in 807 KAR 5:001 Section 16 may not be necessary to support an increase in basic local exchange rates under these circumstances.” *See, e.g., In the Matter of Tariff Filing of Duo County Coop. Corp., Inc., Ky.*

P.S.C. Case No. 2013-00184, Order at 2 (June 28, 2013) (“2013 Order”). Later in those proceedings, the Commission granted carriers waivers of certain requirements of 807 KAR 5:001, Section 16. *See, e.g., In the Matter of Tariff Filing of Duo County Coop. Corp., Inc., Ky.* P.S.C. Case No. 2013-00184, Order (Feb. 3, 2014) (“2013 Waiver Order”).

In light of the waivers granted in the 2013 Rate Floor Proceedings, PRTC now moves for waiver of certain requirements of 807 KAR 5:001, Section 16.

ARGUMENT

Upon good cause shown, the Commission shall grant “[a] request for waiver of any of the provisions of [the] filing requirements.” 807 KAR 5:001, Section 16(10). In determining whether good cause exists, the Commission may consider:

- (a) Whether other information provided by the utility is sufficient to allow the Commission to “effectively and efficiently” review the rate application;
- (b) Whether the information for which waiver is requested is normally maintained by the utility or reasonably available to it from the information the utility does maintain; and
- (c) The expense in providing the information which is the subject of the waiver request.

Id.

PRTC’s Application is simply a response to the regulatory pronouncement of the FCC; it has not been filed to address a financial need for additional revenue from PRTC’s ratepayers. Furthermore, the Commission acknowledged in the 2013 Rate Floor Proceedings that “all of the information specified in 807 KAR 5:001 Section 16 may not be necessary to support an increase in basic local exchange rates under these circumstances.” 2013 Order at 2.

Wherefore, PRTC requests waiver of the filing requirements identified below. These requested waivers are consistent with the waivers the Commission granted to other carriers

during the 2013 Rate Floor Proceedings. *See, e.g.*, 2013 Waiver Order (granting waiver of the requirements of, among others, 807 KAR 5:001, Section 16(4)(b), 16(4)(h), 16(4)(i), 16(4)(n), 16(4)(q), and 16(4)(r). A brief supporting narrative is included for each of these requests.

807 KAR 5:001, Section 16(4)(b)

If utility has gross annual revenues exceeding \$5,000,000, prepared testimony of each witness who will support the application.

PRTC's filing is in response to the FCC's ICC/USF Order and is not driven by a financial need to obtain more revenue from its ratepayers or achieve a higher rate of return. PRTC has provided a detailed narrative explanation of its proposed rate adjustment in Exhibit 1 of the Application. PRTC asserts that the information provided in the Application does not require further explication through prepared testimony. Accordingly, PRTC seeks waiver of 807 KAR 5:001, Section 16(4)(b).

807 KAR 5:001, Section 16(4)(h)

Summary of determination of revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules.

PRTC has provided its 2013 RUS operating report containing its TIER calculation, which assesses PRTC's actual revenue position compared to its required operating revenues, in Exhibit 5 of the Application. PRTC believes this information is sufficient to fulfill the requirements of this section as they apply to the Application. To the extent the Commission believes this section requires provision of additional information, PRTC requests waiver of those requirements for the reasons set forth below.

PRTC does not seek a rate adjustment in this proceeding based on a failure to earn an adequate rate of return. The changes in rates that it seeks are requested in order to maintain eligibility to receive the maximum amount of High Cost Loop Support (“HCLS”) and are expected by PRTC to provide either no additional revenue or nominal additional revenue that will serve as an offset to other revenue reductions imposed by the FCC.

Furthermore, because PRTC’s proposed rate adjustment is simply a response to the regulatory pronouncement of the FCC, PRTC has not prepared a cost study analyzing its revenue requirement at a state level. It would be excessively expensive for PRTC to gather and prepare such information, particularly in light of the fact that the information would provide no discernible advantage in the Commission’s evaluation of PRTC’s Application.

Accordingly, to the extent the Commission believes this section requires more information than PRTC has provided, PRTC seeks waiver of 807 KAR 5:001, Section 16(4)(h).

807 KAR 5:001, Section 16(4)(i)

Reconciliation of rate base and capital used to determine revenue requirements.

PRTC’s Application is filed for the purpose of implementing rates to secure the maximum amount of HCLS funding, and not because of a financial need to obtain more revenue from its customers. The new basic local rate was determined based on the rate floor set in the FCC’s ICC/USF Order, and not determined based on the rate base and capital. This data is thus irrelevant to the proposed rate adjustment and will not aid the Commission in evaluating PRTC’s Application. Accordingly, PRTC seeks waiver of 807 KAR 5:001, Section 16(4)(i).

807 KAR 5:001, Section 16(4)(n)

Summary of latest depreciation study with schedules by major plan accounts, except that telecommunications utilities adopting the Commission's average depreciation rates shall provide a schedule identifying current and test period depreciation rates used by major plant accounts.

PRTC's annual financial report for 2013, which covers the test period, is on file with the Commission. Because this information should be sufficient to allow the Commission to efficiently evaluate the Application, PRTC seeks waiver of 807 KAR 5:001, Section 16(4)(n).

807 KAR 5:001, Section 16(4)(q)

Annual report to shareholders, or members, and statistical supplements covering the two most recent years from the application filing date.

PRTC has provided its independent auditor's opinion letter in Exhibit 8 of the Application. Furthermore, PRTC's annual financial report for 2013, which covers the test period, is on file with the Commission. Because this information should be sufficient to allow the Commission to efficiently evaluate the Application, PRTC seeks waiver of 807 KAR 5:001, Section 16(4)(q).

807 KAR 5:001, Section 16(4)(r)

Monthly managerial reports providing financial results for twelve months in test period.

PRTC's annual financial report for 2013, which covers the test period, is on file with the Commission. Because this information should be sufficient to allow the Commission to efficiently evaluate the Application, PRTC seeks waiver of 807 KAR 5:001, Section 16(4)(r).

PRTC's Application does not include any pro forma adjustments. To the extent the Commission believes the requirements of this section apply to PRTC's Application, PRTC requests waiver of those requirements for the reasons set forth below.

PRTC's Application is filed for the purpose of implementing rates to secure the maximum amount of HCLS funding, and not because of a financial need to obtain more revenue from its customers. The new basic local rate was determined based on the rate floor set in the FCC's ICC/USF Order, and not determined based on the rate base, capital, or any pro forma adjustments.

Furthermore, because PRTC's proposed rate adjustment is simply a response to the regulatory pronouncement of the FCC, PRTC has not prepared the information required by this section. It would be excessively expensive for PRTC to gather and prepare the information, particularly in light of the fact that the information would provide no discernible advantage in the Commission's evaluation of PRTC's Application.

Accordingly, PRTC respectfully requests waiver of 807 KAR 5:001, Section 16(5).

ALTERNATIVE REQUEST FOR RELIEF

PRTC is required to adjust its rates to comply with the FCC's 2014 rate floor effective December 1, 2014. Failure to comply with the rate floor or failure to meet the regulatory deadline could cause PRTC to lose significant federal subsidies that it has historically been allowed to provide service to the most costly, rural customers. That loss of federal funding could threaten the financial existence of PRTC, which has important obligations under federal and state law as a carrier of last resort. Moreover, the loss of such subsidies could portend even larger rate

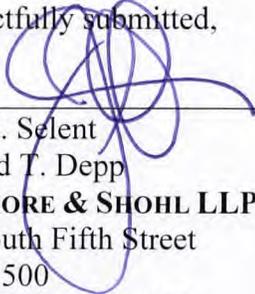
increases in the future, as PRTC would need to raise its rates dramatically to reflect the full, unsubsidized costs of providing service in high-cost rural areas. Accordingly, it is of paramount importance that PRTC's proposed rates are put into effect on December 1, 2014 as requested in the Application.

In the event the Commission thinks it appropriate to deny any portion of PRTC's waiver request, PRTC respectfully requests that the Commission not treat any missing information as a deficiency pursuant to 807 KAR 5:001, Section 16(9). Instead, PRTC respectfully requests that the Commission (i) accept the Application for filing as of October 2, 2014, (ii) grant all waivers on a temporary basis in lieu of denying them, (iii) order that PRTC's proposed rates will be effective subject to refund (if necessary) on December 1, 2014, and (iv) if necessary, order PRTC to file any additional information the Commission believes it needs to fully consider the proposed rate change.

CONCLUSION

PRTC's requested waivers are consistent with the waivers granted by the Commission to other carriers in the 2013 Rate Floor Proceedings. Furthermore, in each case, PRTC does not prepare the requested reports or budgets or otherwise have the information readily available. In addition, in light of the unique circumstances of this proceeding and the limited value of the information for which PRTC seeks waiver, it would be excessively expensive for PRTC to gather the information and prepare the reports in the timeframe of this case. Accordingly, PRTC has demonstrated good cause and the Commission should grant the requested waivers.

Respectfully submitted,



John E. Selent

Edward T. Depp

DINSMORE & SHOHL LLP

101 South Fifth Street

Suite 2500

Louisville, KY 40202

Phone: 502.540.2300

Fax: 502.585.2207

*Counsel to Peoples Rural Telephone
Cooperative Corporation, Inc.*

CERTIFICATE OF SERVICE

I certify that, on the date this Motion for Waiver of Certain Rate Application Filing Requirements was filed or served with the Kentucky Public Service Commission, a true and accurate copy of the foregoing was served by Federal Express or by hand delivery upon the persons listed below.

Kentucky Attorney General
Office of Rate Intervention
700 Capitol Avenue, Suite 118
Frankfort, Kentucky 40601-3449

On this the 2nd day of October, 2014.



*Counsel for Peoples Rural Telephone
Cooperative Corporation, Inc.*

COMMONWEALTH OF KENTUCKY **RECEIVED**
BEFORE THE PUBLIC SERVICE COMMISSION

OCT 02 2014

PUBLIC SERVICE
COMMISSION

In the Matter of:

**APPLICATION OF PEOPLES RURAL
TELEPHONE COOPERATIVE CORPORATION,
INC. FOR A GENERAL ADJUSTMENT IN RATES**

) **CASE NO. 2014-00305**

)

)

APPLICATION

Applicant Peoples Rural Telephone Cooperative Corporation, Inc. (“PRTC”), by counsel, pursuant to KRS 278.180, 807 KAR 5:001, Sections 14 and 16, and 807 KAR 5:011, Section 6, files this application (the “Application”) for authority to adjust its rates and charges for basic local exchange service and gives notice of its intention to increase the same rates and charges effective December 1, 2014.

INTRODUCTION

This Application for a rate increase is necessitated by an order from the Federal Communications Commission (“FCC”) that fundamentally alters the cost structure of providing telecommunications services in high-cost rural areas, like those PRTC serves. *See In the Matter of Connect America Fund et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (Nov 18, 2011) (“ICC/USF Order”). For decades prior to the ICC/USF Order, high-cost carriers had received subsidies from the federal government’s “Universal Service Fund” (“USF”). Those USF subsidies were intended to fulfill the Federal Communications Act’s requirement that “[c]onsumers in all regions of the Nation, including . . . those in rural, insular, and high cost areas, should have access to telecommunications and information services . . . that are available at rates that are reasonably comparable to rates charged for similar services in urban areas.” 47 U.S.C. § 254(b)(3). The FCC found, however, that many rural consumers were

paying rates that were less than those paid by consumers in urban areas. ICC/USF Order at ¶ 235. In consequence, the FCC's ICC/USF Order sets a rate floor equal to the national average of local rates plus state regulated fees. *Id.* at ¶ 238. The ICC/USF Order also “limit[s] high-cost support where local end-user rates plus state regulated fees” do not meet that national rate floor; those carriers’ federal subsidies will be reduced “on a dollar-for-dollar basis . . . , to the extent that [the] carrier’s local rates (plus state regulated fees) do not meet the urban rate floor.” *Id.* at ¶ 239.

On June 10, 2014, the FCC altered the schedule for the imposition of rate floor penalties, effectively requiring carriers to ensure that their 2014 rate floor obligations are met no later than December 1, 2014. *See In the Matter of Connect America Fund et al.*, Report and Order, Declaratory Ruling, Order, Memorandum Opinion and Order, Seventh Order on Reconsideration, and Further Notice of Proposed Rulemaking, FCC 14-54, ¶¶ 79-80.

PRTC’s proposed rate adjustment is thus necessary to preserve its ability to receive these USF subsidies that are important to its ability to provide telephone and information services in its high-cost rural service territory. Without a minimum rate sufficient to meet the FCC’s new rate floor, high-cost carriers like PRTC will lose significant federal funding that has historically allowed these carriers to provide service to the most costly, rural customers. That loss of federal funding will threaten the financial existence of these rural carriers like PRTC, who have important obligations under federal and state law as carriers of last resort. Moreover, the loss of those subsidies would increase the pressure for PRTC to raise its rates even higher than the federal rate floor sought here because any loss of federal funds would lead to a need for PRTC to make up that revenue directly from its customer-members.

* * * * *

In support of its Application, PRTC states as follows:

1. Pursuant to 807 KAR 5:001, Section 14(1): (i) the full name of the applicant is Peoples Rural Telephone Cooperative Corporation, Inc.; (ii) the mailing address of the applicant is 1080 Main Street South, P.O. Box 159, McKee, KY 40447-0159; and (iii) the electronic mailing address of the applicant is Keith.Gabbard@prtc.org.

2. Pursuant to 807 KAR 5:001, Section 14(2), PRTC states that it is currently in good standing in the Commonwealth of Kentucky, where it is incorporated. A certified copy of PRTC's Articles of Incorporation and all amendments thereto is attached hereto as Exhibit 7.

3. Pursuant to 807 KAR 5:001, Section 16(1)(b)(1), PRTC provides the following statement of the reason the adjustment is requested. Further details are provided in Exhibit 1 of this Application.

a. PRTC is a rural incumbent local exchange carrier serving all of Owsley and Jackson Counties in eastern Kentucky (the "Service Territory"). PRTC was established in 1950 as a not-for-profit, member-owned cooperative with the principal purpose of providing local telephone service to business and individual members within the exchanges of McKee, Annville, Booneville, and Sandgap. PRTC provides approximately 5,748 residential lines and 1,028 business lines to its members. PRTC is an eligible telecommunications carrier ("ETC"), and it is also the carrier of last resort ("COLR") in the Service Territory. In 2013, PRTC received \$2,518,050.00 from the High Cost Loop Support ("HCLS") Fund to support its COLR responsibilities in the Service Territory.

b. This proceeding was motivated by an order of the FCC that implemented "a rule to limit high-cost support where end-user rates do not meet a specified local rate floor." See ICC/USF Order at ¶ 235.

c. Under the rule, local exchange carriers such as PRTC must meet a specified rate floor in each year in order to be eligible to receive the maximum possible amount of HCLS funding from the FCC. Failure to meet the rate floor by the deadline will result in a reduction in HCLS funding that the carrier could have otherwise received for that year. ICC/USF Order at ¶¶ 133, 238-40. Therefore, PRTC requires an adjustment of its rates to comply with the FCC's 2014 rate floor, thereby maintaining eligibility for the 2014 maximum amount of HCLS funding.

4. The requirements of 807 KAR 5:001, Section 16(1)(b)(2), are inapplicable because PRTC does not operate under an assumed name pursuant to KRS 365.015.

5. Pursuant to 807 KAR 5:001, Section 16(1)(b)(3), PRTC has attached its proposed tariff, in such form as is required by 807 KAR 5:011, as part of Exhibit 2. The proposed effective date of the proposed tariff is December 1, 2014, at least 30 days from the date the Application is filed.

6. Pursuant to 807 KAR 5:001, Section 16(1)(b)(4), PRTC has attached as part of Exhibit 2 its present tariff using italicizing, underscoring, and strikethroughs to show proposed revisions.

7. Pursuant to 807 KAR 5:001, Section 16(1)(b)(5), PRTC states that notice has been given in compliance with 807 KAR 5:001, Section 17, as described below:

a. Pursuant to 807 KAR 5:001, Section 17(1), PRTC has posted at its place of business a copy of the Public Notice and will, within five days of the filing of the Application, post on its website a copy of the Public Notice and a hyperlink to the location on the website of the Public Service Commission of the Commonwealth of Kentucky (the "Commission") where

the case documents are available. A copy of the Public Notice is attached hereto as part of Exhibit 3.

b. Pursuant to 807 KAR 5:001, Section 17(2), PRTC, which has more than twenty (20) customers and is not a sewage utility, has provided notice to its customers by including the notice with customer bills mailed no later than the date the Application is submitted to the Commission. A copy of the notice sent to customers is attached hereto as part of Exhibit 3.

c. Pursuant to 807 KAR 5:001, Section 17(3), an affidavit verifying PRTC's provision of the required notice to its customers is attached hereto as part of Exhibit 3.

d. Pursuant to 807 KAR 5:001, Section 17(4), PRTC states that the Public Notice attached to this Application as Exhibit 3 complies with all "Notice Content" requirements prescribed by regulation because it contains all of the following elements:

- i. The proposed effective date and the date the proposed rates are expected to be filed with the Commission;
- ii. The present rates and proposed rates for each customer classification to which the proposed rates will apply;
- iii. The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rates will apply;
- iv. The effect upon the average bill for each customer classification for the proposed rate change in basic local service;
- v. A statement that a person may examine this Application at PRTC's offices;

- vi. A statement that a person may examine this Application at the Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Commission's Web site at <http://psc.ky.gov>;
- vii. A statement that comments regarding the Application may be submitted to the Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602;
- viii. A statement that the rates contained in the notice are the rates proposed by PRTC but that the Commission may order rates to be charged that differ from the proposed rates contained in the notice;
- ix. A statement that a person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party; and
- x. A statement that if the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the Commission may take final action on the Application.

8. The requirements of 807 KAR 5:001, Section 16(1)(b)(6), are inapplicable because PRTC is not a water district.

9. Pursuant to 807 KAR 5:001, Section 16(2), PRTC states that it notified the Commission in writing of its intent to file the Application on August 28, 2014, at least thirty (30)

days but not more than sixty (60) days prior to filing the Application. A copy of the notice of intent is included as Exhibit 4 of this Application. Pursuant to 807 KAR 5:001, Section 16(2)(a), the notice of intent stated if the Application will be supported by a historical test period or a fully forecasted test period. Pursuant to 807 KAR 5:001, Section 16(2)(c), PRTC sent by electronic mail a .pdf copy of the notice of intent to the Attorney General's Office of Rate Intervention (rateintervention@ag.ky.gov) upon filing it with the Commission.

10. The provisions of 807 KAR 5:001, Section 16(3), are inapplicable because PRTC is not an electric utility.

11. Pursuant to 807 KAR 5:001, Section 16(4)(a), a narrative summary of the particular circumstances that justify and support PRTC's Application, including a statement of the reason the adjustment is required, is attached hereto as Exhibit 1 and is incorporated herein by reference. Exhibit 1 is filed subject to a Petition for Confidential Treatment pursuant to 807 KAR 5:001, Section 13, filed contemporaneously with this Application.

12. As more fully explained in PRTC's Motion for Waiver of Certain Rate Application Requirements ("Motion for Waiver") filed contemporaneously with this Application, PRTC seeks waiver of 807 KAR 5:001, Section 16(4)(b), requiring the applicant's witnesses' prepared testimony.

13. The requirements of 807 KAR 5:001, Section 16(4)(c), are inapplicable because PRTC has gross annual revenues in excess of \$5,000,000.00.

14. Pursuant to 807 KAR 5:001, Section 16(4)(d), PRTC estimates that the total amount of revenue increase resulting from the proposed rate adjustment will be \$79,000.00.

15. The requirements of 807 KAR 5:001, Section 16(4)(e), are inapplicable because PRTC is not an electric, gas, sewage, or water utility.

16. Pursuant to 807 KAR 5:001, Section 16(4)(f), PRTC states that the proposed rate adjustment will increase the average affected customer bill by \$1.18. Additional details regarding the anticipated impact on affected customers are set forth in Exhibit 1.

17. Pursuant to 807 KAR 5:001, Section 16(4)(g), PRTC states that because the FCC's rate floor requirements apply only to residential rates, only PRTC's Residential customer class will be affected by the proposed rate adjustment. PRTC's analysis of customers' bills and the corresponding revenue impact are provided in PRTC's responses to the requirements of Section 16(4)(d) and 16(4)(f), above.

18. Pursuant to 807 KAR 5:001, Section 16(4)(h), PRTC states that its 2013 RUS operating report containing its TIER calculation, which assesses PRTC's actual revenue position compared to its required operating revenues, is attached as Exhibit 5. Exhibit 5 is filed subject to a Petition for Confidential Treatment pursuant to 807 KAR 5:001, Section 13, filed contemporaneously with this Application. To the extent the Commission believes this section imposes additional requirements relevant to this Application, PRTC respectfully seeks waiver of those requirements for the reasons set forth in its accompanying Motion for Waiver.

19. As more fully explained in PRTC's Motion for Waiver, PRTC seeks waiver of 807 KAR 5:001, Section 16(4)(i), requiring a reconciliation of the rate base and capital used to determine revenue requirements.

20. Pursuant to 807 KAR 5:001, Section 16(4)(j), PRTC has attached a current chart of accounts as Exhibit 6.

21. Pursuant to 807 KAR 5:001, Section 16(4)(k), PRTC has attached its independent auditor's annual opinion report hereto as Exhibit 8. The other requirements of this section are

inapplicable because PRTC's independent auditor has not indicated "the existence of a material weakness in [PRTC]'s internal controls."

22. The requirements in 807 KAR 5:001, Section 16(4)(l), are inapplicable because PRTC has not been audited by the FCC.

23. Pursuant to 807 KAR 5:001, Section 16(4)(m), PRTC states that its most recent PSC Form T is on file with the Commission.

24. As more fully explained in PRTC's Motion for Waiver, PRTC seeks waiver of 807 KAR 5:001, Section 16(4)(n), requiring a summary of the latest depreciation study.

25. Pursuant to 807 KAR 5:001, Section 16(4)(o), requiring a schedule of detailed information regarding all software, programs, and models used to prepare the Application, PRTC states that it utilized no specialized software, program, or models, and relied on Microsoft Word and Microsoft Excel to prepare the Application and supporting exhibits.

26. The requirements of 807 KAR 5:001, Section 16(4)(p), are inapplicable because PRTC has never made a stock or bond offering.

27. The requirements of 807 KAR 5:001, Section 16(4)(q), are inapplicable because PRTC does not provide a formal annual report to its members. Instead, PRTC makes available its independent auditor's report (attached hereto as Exhibit 8) and invites its members to an annual meeting to discuss its operations. To the extent the Commission believes this section requires the provision of additional materials, PRTC seeks waiver of those requirements for the reasons set forth in its accompanying Motion for Waiver.

28. As more fully explained in PRTC's Motion for Waiver, PRTC seeks waiver of 807 KAR 5:001, Section 16(4)(r), requiring monthly managerial reports.

29. The requirements of 807 KAR 5:001, Section 16(4)(s), are inapplicable because PRTC is not required to file the U.S. Securities and Exchange Commission's Form 10-K, Form 8-K, or Form 10-Q.

30. The requirements of 807 KAR 5:001, Section 16(4)(t), are inapplicable because PRTC has not had any amounts charged or allocated to it by an affiliate or general or home office, and has not paid any monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years.

31. The requirements of 807 KAR 5:001, Section 16(4)(u), are inapplicable because PRTC is not an electric, gas, sewage, or water utility.

32. The requirements of 807 KAR 5:001, Section 16(4)(v), are inapplicable because PRTC has fewer than 50,000 access lines.

33. The requirements of 807 KAR 5:001, Section 16(5), are inapplicable because PRTC's Application does not include any pro forma adjustments. To the extent the Commission believes the requirements of this section apply to this Application, PRTC respectfully seeks waiver of those requirements for the reasons set forth in its accompanying Motion for Waiver.

34. The requirements of 807 KAR 5:001, Section 16(6), are inapplicable because PRTC is not requesting a general adjustment in rates supported by a fully forecasted test period.

35. The requirements of 807 KAR 5:001, Section 16(7), are inapplicable because PRTC is not requesting a general adjustment in rates supported by a fully forecasted test period.

36. The requirements of 807 KAR 5:001, Section 16(8), are inapplicable because PRTC is not requesting a general adjustment in rates supported by a fully forecasted test period.

WHEREFORE, Peoples Rural Telephone Cooperative Corporation, Inc. respectfully requests that the Public Service Commission of the Commonwealth of Kentucky enter a final order approving PRTC's proposed revisions to the applicable tariffs and grant all other relief to which it is entitled.

Respectfully submitted,



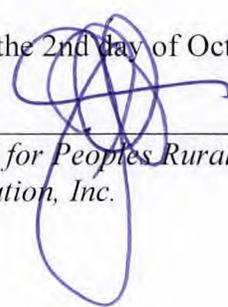
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*Counsel to Peoples Rural Telephone
Cooperative Corporation, Inc.*

CERTIFICATE OF SERVICE

I certify that, on the date this Application was filed with the Kentucky Public Service Commission, a true and accurate copy of the foregoing was served by Federal Express or by hand delivery upon the persons listed below.

Kentucky Attorney General
Office of Rate Intervention
700 Capitol Avenue, Suite 118
Frankfort, Kentucky 40601-3449

On this the 2nd day of October, 2014.



*Counsel for Peoples Rural Telephone Cooperative
Corporation, Inc.*

Description and Reason for Filing

With this filing, Peoples Rural Telephone Coop. Corp., Inc. (“PRTC”) proposes to increase its basic residential local service rates by \$2.00, to \$16.00 per month and to offset this increase to its members with a reduction in feature rates and service upgrades for broadband. This filing is in response to the November 18, 2011 order by the Federal Communications Commission that mandates minimum local residential service rate levels as a condition of continue receipt of certain federal universal service supports. In that Order¹ (the so-called “Transformation Order”) the FCC required that local exchange rates be set at or above a rate floor of \$10, as of June 1, 2012; \$14 as of June 1, 2013, and an “urban rate” – at that time undefined – on or before June 1, 2014 (“2014 rate floor”.) The Transformation Order mandated that Companies with rate levels below the applicable rate floor be penalized with a dollar for dollar reduction in federal high cost loop support (“HCLS”).

On March 20, 2014 the FCC released the results of its controversial urban rate floor survey² that established the 2014 rate floor of \$20.46; if implemented, this floor would become the basis on which HCLS recipients below the floor would be subject to the loss of funding as required by the FCC’s Transformation Order. On June 20, 2014 the FCC issued an Order on Reconsideration³ that modified the proposed 2014 urban rate floor to allow for a phase-in of the mandated residential rate floor. Under its revised implementation schedule, companies were given the option to implement the rates over a 4-year period:

Therefore, we waive the application of section 54.318(b) for lines reported July 1, 2014, with a rate of \$14 or above. Commencing January 2, 2015 (reflecting rates

¹ *In the Matter of Connect America Fund et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (Nov 18, 2011)

² *Wireline Competition Bureau Announces Results of Urban Rate Survey for Voice Services; Seeks Comment on Petition for Extension of Time to Comply with New Rate Floor*, Public Notice, DA 14-384, Released March 20, 2014

³ Report and Order, Declaratory Ruling, Order, Memorandum Opinion And Order, Seventh Order On Reconsideration, and Further Notice of Proposed Rulemaking, FCC 14-54 (June 10, 2014)

as of December 1, 2014), and thereafter, through June 30, 2016, we waive section 54.318(b) to the extent reported lines are greater than or equal to \$16. For the period between July 1, 2016, and June 30, 2017, we waive section 54.318(b) to the extent reported rates are greater than or equal to \$18, or the 2016 rate floor, whichever is lower. For the period between July 1, 2017, and June 30, 2018, we waive section 54.318(b) to the extent reported rates are greater than or equal to \$20, or the 2017 rate floor, whichever is lower.⁴

Proposed Revisions and Customer Impact

With this filing, PRTC's basic residential rates are proposed to rise to \$16.00. No change is proposed to the Company's basic business services which are outside the rate floor requirement of the FCC's Transformation Order but are above the \$16.00 rate floor, in any case. Until the FCC \$16 rate floor, PRTC's rates have been above the applicable residential rate floor allowing the Company to avoid any FCC-mandated rate increase⁵. PRTC proposes to mitigate the impact of this increase to its customers through offsetting rate reductions and increased broadband speeds, as discussed below. When measured in regulated monthly costs, the Company anticipates that its average residential subscriber will have a 2% increase in monthly charges.⁶

Like most companies, the majority of PRTC's residential subscribers also purchase Caller Number and / or Caller Name and Number service, with Caller Name being by far the more popular feature. For residential subscribers, PRTC's service rates for these features are \$4.00 and \$6.00 respectively. With this filing, PRTC is eliminating residential Caller Number service and upgrading all "number only" subscribers to Caller Name service. In doing so, the company will also reduce its residential Caller Name service by \$2, to \$4. As shown in confidential

⁴ *Ibid.*, para. 80

⁵ PRTC's tariff reflects rotary service currently at \$12 per line, below the current \$14 floor. The Company has no customers on that grandfathered rate and accordingly is removing that option from its tariff as no longer applicable.

⁶ Reflects average residential invoice.

Attachment C of this Exhibit, doing so reduces the overall impact to its average residential subscriber to \$1.18 per month or slightly less than 2% of the average residential customer's bill.⁷

In addition, PRTC recognizes that its HCL support allows it an opportunity to provide its members with fiber-based advanced broadband services. Concurrent with the implementation of its rate increase, the Company has committed to its members to increase residential broadband speeds or a reduction in services prices, as shown below:

Current Download Speed	Revised Download Speed	Increase
1.5M	6M	400%
6M	15M	250%
10M	25M	250%
20M	25M	125%
50M *	50M	n/a
100M *	100M	n/a

* Residential subscribers to these tiers will see substantial reductions in rates:

- 50M is reduced from \$149.95 to \$75.95
- 100M is \$245.95 reduced to \$95.95.

PRTC is not including in its financial justification for this filing neither the increase costs of supporting higher bandwidth speeds nor the reduction in revenues associated with price reductions. Its decision to improve the speed of its broadband and reduce prices charged to the highest tiers is separate from the cost justification of its local rate increase and is reflective of the Company's role as both a member-owned cooperative and a contributor to the overall economic health of its service area.

⁷ PRTC proposes to eliminate the "Caller Number" only option for its business customers for ease of administration of its ordering and is grandfathering its Caller Number service to its existing handful of business subscribers to that product.

Company information

The full name and address the Company is Peoples Rural Telephone Coop. Corp., Inc., 1080 Main Street South / P.O. Box 159, McKee, KY 40447-0159. PRTC was established in 1950 as a member owned cooperative to provide local telephone service to business and individual members within the exchanges of McKee, Annville, Booneville, and Sandgap. PRTC is a rural incumbent local exchange carrier serving all of Owsley and Jackson Counties in eastern Kentucky. Per its 2013 PSC Report, PRTC provided 5,748 residential lines and 1,028 business lines to its members.

PRTC is an eligible telecommunications carrier (“ETC”) in the communities it serves and is also the carrier of last resort (“COLR”) in its service area. In 2013, PRTC received \$2,518,050 from the High Cost Loop Support (“HCLS”) Fund to support its COLR responsibilities in its service territory, and anticipates receiving \$2.9M in calendar year 2014. As a high cost company, all HCLS revenues are crucial for the Company to continue to meet its COLR responsibilities and to bring advanced services to the communities it serves.

A schedule of the Company’s quarterly high cost support is provided in Attachment A of this exhibit. Historic access line counts as reported the National Exchange Carrier Association, are provided in Attachment B.

Financial Support for Filing

While the PRTC anticipates that some of its increase in local service revenues will be directly offset by reductions in its Caller Name feature, the increase in rates is driven by two factors: first, the offset of HCLS support mandated by the FCC’s Order requires that the Company does so; and, second, FCC directed reductions in access charges have capped and

reduced access compensation available to the Company, putting pressure on the Company to raise local service rates.

Companies who fail to meet the 2014 rate floor will experience a dollar for dollar reduction in HCLS beginning in January, 2015. As shown below, PRTC is seeking to increase its local exchange rates by \$2.00 but by doing so will retain approximately 4.8% of its total HCLS support, or \$138K per year.

	Subscribers	Current Rate	FCC Floor	At Risk
Residential Based on year end 2012	5,748	\$ 14.00	\$ 16.00	\$ 137,952
Annual HCLS (See Attachment 1 of this Exhibit)				\$2,865,630
Support at risk absent a rate increase				4.8%

Included in the FCC's Transformation Order is a requirement that carriers cap and reduce not only their reciprocal, state and interstate inter-carrier compensation rates but also the revenues the Company was allowed to collect. Under the formula specified in the Transformation Order, the FCC capped allowed terminating access revenues from inter-carrier compensation at fiscal year 2011⁸ collected levels and established a phase down of those allowed amounts over the subsequent 5 years. With this change, PRTC cannot collect more than its current capped revenue amount net 5% *each year*. As shown in the step down of Eligible State Access Recovery, the cumulative FCC-mandated reduction in its state access revenue recovery is [REDACTED] through the fiscal period ending June, 2015.

⁸ October 1, 2010 through September 30, 2011.

	Eligible State Access Recovery	
	Access Cap	Reduction
FY2011		
2012-2013 Fiscal Period		
2013-2014 Fiscal Period		
2014-2015 Fiscal Period		
Cumulative Reduction		

As shown in Attachment C of this Exhibit, based on a one-month sample, PRTC shows the monthly revenue gain of its proposed rate revisions to be \$1.18 per average subscriber. Using its current residential line count and without including any adjustments for line losses, this is a \$79K 12-month annualized increase. Accordingly, the revenue gain of PRTC's proposed local service rate increase is significantly less than the cumulative reduction imposed by the FCC's cap of Eligible State Access.

Summary

The FCC's Order continues to dramatically change the revenue sources historically available to rural telephone companies like PRTC to use in meeting their COLR obligation and to expand the availability of advanced broadband services to their customers. Unfortunately, for many of these companies, doing so requires upward pressure on local service rates. As shown in this documentation, PRTC has no other options available to it and requests that its tariff revisions be approved.

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General Ledger Chart Of Accounts

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Peoples Rural Telephone Coop

<u>Div</u>	<u>Account</u>	<u>Description</u>	<u>Type</u>	<u>Category</u>	<u>Group</u>	<u>Status</u>
1	1350.0	OTHER CURRENT ASSETS	Asset			Active
1	1401.2	INVESTMENT IN RTB STOCK	Asset			Active
1	1401.3	INVESTMENT IN RTB STOCK	Asset			Active
1	1401.4	INVESTMENT IN RTB STOCK-CONST ACCT	Asset			Active
1	1402.2	NON-REG INVEST-CAP CONT-EKN	Asset			Active
1	1402.3	INTEREST IN AFFILIATE-P/L-EKN	Asset			Active
1	1402.4	N/R INVEST-CAP CONT-EAST KY NETWORK	Asset			Active
1	1402.41	INVEST IN EKN-PROFIT/LOSS	Asset			Active
1	1402.5	NON-REG INVEST CAP CONT-APP CELL	Asset			Active
1	1402.6	INTEREST IN AFF-P/L-APP CELL	Asset			Active
1	1402.7	INVEST IN PEOPLES TELECOM	Asset			Active
1	1402.71	PROFIT/LOSS PEOPLES TELECOM	Asset			Active
1	1402.8	C & W CABLE PURCHASE	Asset			Active
1	1406.1	DE-REG-LEASED PBX/KEY APPARATUS	Asset			Active
1	1406.122	MATERIAL HELD FOR RESALE	Asset			Active
1	1406.2124	NON-REG INVEST-NECA REVIEW	Asset			Active
1	1406.231	NON-REG INVEST-STATION APPARATUS	Asset			Active
1	1406.2311	NON-REG INVEST-KEY TELEPHONES	Asset			Active
1	1406.2351	PUBLIC TELEPHONE TERMINAL EQUIPMENT	Asset			Active
1	1406.2361	SETTOP BOXES FTTH	Asset			Active
1	1406.2362	DVR FTTH	Asset			Active
1	1406.2363	N/R FTTH ELECTRONICS	Asset			Active
1	1406.2364	CUSTOMER DEVICES	Asset			Active
1	1406.23641	FTTH INSTALLS	Asset			Active
1	1406.2365	N/R INVEST-ONT ENCLOSURES	Asset			Active
1	1406.31231	NON-REG-INVEST-ACCUM DEP STAT APPAR	Asset			Active
1	1406.31232	NON-REG INVEST-ACCUM DEP PAYSTATION	Asset			Active
1	1406.31233	NON REG INVEST-A/D KEY TELEPHONES	Asset			Active
1	1406.31234	NON-REG INVEST-A/D PAGERS	Asset			Active
1	1406.31235	ACC DEP-STB	Liability			Active
1	1406.31236	ACCUM DEP-DVR	Liability			Active
1	1406.31237	ACC DEP-CUSTOMER DEVICES	Liability			Active
1	1406.31238	ACCUM DEP-ONT ENCLOSURES	Liability			Active
1	1438.1	DEFERRED MAINTENANCE-OUTSIDE PLANT	Asset			Active
1	1438.2	DEFERRED MAINT & RETIRE-O CARRIER	Asset			Active
1	1438.3	DEFERRED MAINT & RETIRE-CT #36	Asset			Active

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1	1438.4	DEFERRED MAINT & RETIRE-LE 101	Asset			Active
1	1438.5	DEFERRED MAINT & RETIREMENTS	Asset			Active
1	1438.6	EXTRAORDINARY RETIREMENT-S X S	Asset			Active
1	1438.7	EXTRAORDINARY RETIREMENT-DIGITAL	Asset			Active
1	1439.0	DEFERRED CHARGES-POLE RENTAL	Asset			Active
1	2003.1	TELECOMM P/U/C-SHORT-TERM	Asset			Active
1	2003.11	TELECOMM P/U/C-SHORT-TERM 3100X	Asset			Active
1	2003.111	WORK ORDER CLEARING	Asset			Active
1	2003.1212	TELECOMM P/U/C-PRE-LOAN ENG-LEGAL	Asset			Active
1	2003.1214	TELECOMM P/U/C-CDC OUTSIDE PLANT	Asset			Active
1	2003.1218	TELECOMM P/U/C	Asset			Active
1	2003.13	TELECOMM P/U/C-ENGINEERING COE	Asset			Active
1	2003.14	TELECOMM P/U/C-ENG, SURVEY, O/S PLT	Asset			Active
1	2003.15	TELECOMM P/U/C-COE	Asset			Active
1	2003.16	TELECOMM P/U/C-NEW LOAN-MCKEE	Asset			Active
1	2003.17	TELECOMM P/U/C-NEW LOAN MCKEE	Asset			Active
1	2003.19	TELECOMM P/U/C-PRE-LOAN ENGINEERING	Asset			Active
1	2003.2	TELECOMM P/U/C-CT M49E-CDC	Asset			Active
1	2003.21	TELECOMM P/U/C-CT M47-STROMBERG	Asset			Active
1	2003.22	TELECOMM P/U/C-CT M46-UNITED-ANVL	Asset			Active
1	2003.23	TELECOMM P/U/C-CT M48-MADISON GROUP	Asset			Active
1	2003.24	TELECOMM P/U/C-CT M51-STROMB-KK	Asset			Active
1	2003.25	TELECOMM P/U/C-CT M50-HAMLET-MOR, KK	Asset			Active
1	2003.26	TELECOMM P/U/C-CT M52-MADISON GROUP	Asset			Active
1	2003.27	TELECOMM P/U/C-ADVANCED FIBRE	Asset			Active
1	2003.28	TELECOMM P/U/C-CT M53-C & C CONTRAC	Asset			Active
1	2003.29	TELECOMM P/U/C-CT M54-DRIFTWOOD	Asset			Active
1	2003.3	TELECOMM P/U/C-DRIFTWOOD CUTOVER	Asset			Active
1	2003.31	STROMBERG 773	Asset			Active
1	2003.32	P/U/C-QUALITY CONTRACTING	Asset			Active
1	2003.33	CT M-57 STROMB	Asset			Active
1	2003.34	CT M-58 AFC BNVL	Asset			Active
1	2003.35	P/U/C-MCKEE CT-QUALITY	Asset			Active
1	2003.36	P/U/C-AFC MCKEE	Asset			Active
1	2003.37	P/U/C - STROMBERG	Asset			Active
1	2003.38	P/U/C-HUFFMAN	Asset			Active

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Div	Account	Description	Type	Category	Group	Status
1	2003.39	P/U/C-DRIFTWOOD 773	Asset			Active
1	2003.4	HUFFMAN-773 5/00	Asset			Active
1	2003.41	P/U/C-M/N 61 STROMBERG	Asset			Active
1	2003.42	P/U/C-"N" ENG	Asset			Active
1	2003.43	ADKINS CABLE CONST-773	Asset			Active
1	2003.44	773 JEFF BINGHAM-CONCRETE PADS	Asset			Active
1	2003.45	773-UTILITY CLEARING	Asset			Active
1	2003.46	P/U/C-OLIN REMOTE BLDG-D BANKS	Asset			Active
1	2003.47	P/U/C-MADDUX-CT N-63	Asset			Active
1	2003.48	P/U/C-HOG CAMP REMOTE-DB 773	Asset			Active
1	2003.49	CISCO-CT N-64	Asset			Active
1	2003.5	P/U/C-HIGH KNOB REMOTE	Asset			Active
1	2003.51	OP CT N-65 C & C	Asset			Active
1	2003.52	P/U/C-MOORES CREEK REMOTE	Asset			Active
1	2003.53	ADKINS CABLE 172-01	Asset			Active
1	2003.54	DABOLT REMOTE-773	Asset			Active
1	2003.55	P/U/C-UNION REMOTE	Asset			Active
1	2003.56	P/U/C-N-66 SIEMENS	Asset			Active
1	2003.57	P/U/C-N-67 CISCO	Asset			Active
1	2003.58	QUALITY-773	Asset			Active
1	2003.59	773-WENDELL/EARL	Asset			Active
1	2003.6	773-JOHNSON SPLICING	Asset			Active
1	2003.61	JEFF/ANTHONY-JUMPERS	Asset			Active
1	2003.62	ADKINS CABLE-773	Asset			Active
1	2003.63	DRIFTWOOD-773	Asset			Active
1	2003.64	VINCENT REMOTE	Asset			Active
1	2003.65	CLOVER BOTTOM REMOTE-773 DANNY B	Asset			Active
1	2003.66	KERBY KNOB REMOTE	Asset			Active
1	2003.67	773 KENCO	Asset			Active
1	2003.68	P/U/C-INFORMATION ENG CT#N-68	Asset			Active
1	2003.69	JCDA LOAN	Asset			Active
1	2003.7	773 ADKINS CABLE	Asset			Active
1	2003.71	ENG-P LOAN APP	Asset			Active
1	2003.72	RED STAG CONTRACTORS	Asset			Active
1	2003.73	N70-ELECTRICOM	Asset			Active
1	2003.74	FIBCO	Asset			Active

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Div	Account	Description	Type	Category	Group	Status
1	2003.75	FTTH-773	Asset			Active
1	2003.76	P-72 OCCAM	Asset			Active
1	2003.77	DATA CONNECTION	Asset			Active
1	2003.78	P-73 GUDENKAUF CORP	Asset			Active
1	2003.79	773 ADKINS 2010	Asset			Active
1	2003.8	P-75 TRIPLE D COMMUNICATIONS	Asset			Active
1	2003.801	TRIPLE D AFUDC	Asset			Active
1	2003.81	STIMULUS ENG PRE BILL	Asset			Active
1	2003.82	P76X Utilipath	Asset			Active
1	2003.83	Henkel & McCoy AT&T Build	Asset			Active
1	2004.1	STIMULUS WO# 1S	Asset			Active
1	2004.11	HENKELS & MCCOY A-4 ANVL PHASE 2	Asset			Active
1	2004.12	HENKELS & MCCOY A-7	Asset			Active
1	2004.13	ERVIN CABLE A-6	Asset			Active
1	2004.14	ERVIN CABLE A-8	Asset			Active
1	2004.2	LADD ENG STIMULUS	Asset			Active
1	2004.3	STIMULUS GRANT FUNDS RECD	Asset			Active
1	2004.4	HENKELS & MCCOY SGAP A2	Asset			Active
1	2004.401	HENKEL & MCCOY AFUDC	Asset			Active
1	2004.5	CALIX-ARRA A3	Asset			Active
1	2004.6	WALKER & ASSOC A5	Asset			Active
1	2004.7	STIMULUS WO# 2S ANNVILLE	Asset			Active
1	2004.8	STIMULUS WO# 3S TYNER	Asset			Active
1	2004.9	STIMULUS WO# 4S BOONEVILLE	Asset			Active
1	2004.91	FTTH Stimulus	Asset			Active
1	2004.92	Paul Johnson Fiber-Stimulus	Asset			Active
1	2004.93	Stimulus WO#5S	Asset			Active
1	2111.0	LAND	Asset			Active
1	2112.0	MOTOR VEHICLES	Asset			Active
1	2114.0	SPECIAL PURPOSE VEHICLES	Asset			Active
1	2116.0	OTHER WORK EQUIPMENT	Asset			Active
1	2116.1	OTHER WORK EQUIPMENT-RADIO	Asset			Active
1	2121.0	BUILDINGS	Asset			Active
1	2122.0	FURNITURE	Asset			Active
1	2123.0	COPIER EQUIPMENT	Asset			Active
1	2123.2	OFFICE EQUIP	Asset			Active

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Div	Account	Description	Type	Category	Group	Status
1	2124.0	GENERAL PURPOSE COMPUTERS	Asset			Active
1	2124.1	SOFTWARE	Asset			Active
1	2125.0	MICROFICHE EQUIPMENT	Asset			Active
1	2212.0	DIGITAL ELECTRONIC SWITCHING	Asset			Active
1	2212.1	COE - LETTERBOX	Asset			Active
1	2212.2	COE-ANNVILLE	Asset			Active
1	2212.3	COE-TYNER	Asset			Active
1	2212.4	COE-HOG CAMP REMOTE	Asset			Active
1	2212.5	COE-OLIN REMOTE	Asset			Active
1	2212.6	COE-HIGH KNOB REMOTE	Asset			Active
1	2212.7	COE-MOORESCREEK REMOTE	Asset			Active
1	2212.8	COE-DABOLT REMOTE	Asset			Active
1	2212.9	COE-SAND GAP REMOTE	Asset			Active
1	2215.0	ELECTRO-MECHANICAL SWITCHING-SXS	Asset			Active
1	2232.0	CIRCUIT EQUIPMENT	Asset			Active
1	2232.1	CIRCUIT EQUIP-ELECTRO-MECH N-3	Asset			Active
1	2232.2	CIRCUIT EQUIP-ELECTRO-MECH T	Asset			Active
1	2232.3	CIRCUIT LIGHTWAVE	Asset			Active
1	2232.4	AFC EQUIPMENT	Asset			Active
1	2232.5	CIRCUIT EQUIP-OTHER	Asset			Active
1	2232.6	INSTALL DSL FTTH	Asset			Active
1	2321.1	CUSTOMER PREMISES WIRE AFTER 10-81	Asset			Active
1	2321.2	CUSTOMER PREMISES WIRE-EMBEDDED	Asset			Active
1	2324.0	HEADEND EQUIPMENT	Asset			Active
1	2351.0	PUBLIC TELEPHONE TERMINAL EQUIP	Asset			Active
1	2368.1	SETTOP BOXES FTTH	Asset			Active
1	2368.2	DVR'S FTTH	Asset			Active
1	2411.0	POLES	Asset			Active
1	2421.0	AERIAL CABLE	Asset			Active
1	2421.1	AERIAL CABLE DROPS	Asset			Active
1	2421.2	FIBER OPTIC CABLE	Asset			Active
1	2421.21	FTTH DROP	Asset			Active
1	2421.22	SETTOP & DVR INSTALLED FTTH	Asset			Active
1	2421.23	INSTALL FTTH ONT CUSTOMER PREMISE	Asset			Active
1	2421.24	Install TV FTTH *DON'T USE*	Asset			Active
1	2421.25	Headend Electronics FTTH	Asset			Active

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Div	Account	Description	Type	Category	Group	Status
1	2423.0	BURIED CABLE	Asset			Active
1	2423.1	BURIED CABLE DROPS	Asset			Active
1	2431.0	AERIAL WIRE	Asset			Active
1	2510.0	HEADEND ELECTRONICS-FTTH	Asset			Active
1	2690.0	INTANGIBLES-ORGANIZATION	Asset			Active
1	3100.1	Retirement Work Orders	Asset			Active
1	3100.2112	ACCUM DEP-VEHICLES	Asset			Active
1	3100.2114	ACCUM DEP-LINE TRUCK	Asset			Active
1	3100.2116	ACCUM DEP-OTHER WORK EQUIPMENT	Asset			Active
1	3100.21161	ACCUM DEP-STATION EQUIP-RADIO	Asset			Active
1	3100.211611	ACCUM DEP-STAT EQUIP-RADIO	Asset			Active
1	3100.2121	ACCUM DEP-BUILDINGS	Asset			Active
1	3100.2122	ACCUM DEP-FURNITURE & FIXTURES	Asset			Active
1	3100.21232	ACCUM DEP-OFF COMPANY TELEPHONES	Asset			Active
1	3100.2124	ACCUM DEP-COMPUTER	Asset			Active
1	3100.21241	ACCUM DEP-SOFTWARE	Asset			Active
1	3100.2125	ACCUM DEP-MICROFICHE EQUIP	Asset			Active
1	3100.2212	ACCUM DEP-COE DIGITAL	Asset			Active
1	3100.2215	ACCUM DEP-S X S	Asset			Active
1	3100.2232	ACCUM DEP-CIRCUIT EQUIP	Asset			Active
1	3100.22321	ACCUM DEP-COE W CARRIER	Asset			Active
1	3100.22322	ACCUM DEP-COE T CARRIER	Asset			Active
1	3100.22323	ACCUM DEP-CIRCUIT LIGHTWAVE	Asset			Active
1	3100.22324	ACCUM DEP-AFC EQUIPMENT	Asset			Active
1	3100.22325	ACCUM DEP-CIRCUIT OTHER	Asset			Active
1	3100.22326	ACCUM DEP INSTALL DSL FTTH	Liability			Active
1	3100.23211	ACCUM DEP-STATION CONNECTIONS-I/S	Asset			Active
1	3100.23212	ACCUM DEP-STAT CONN-INSIDE-EMBEDDED	Asset			Active
1	3100.2324	A/D Headend Equipment	Asset			Active
1	3100.2351	ACCUM DEP-PAY STATION EQUIPMENT	Asset			Active
1	3100.23681	ACCUM DEP SETTOP BOXES FTTH	Asset			Active
1	3100.23682	ACCUM DEP DVR FTTH	Asset			Active
1	3100.2411	ACCUM DEP-POLE LINE	Asset			Active
1	3100.2421	ACCUM DEP-AERIAL CABLE	Asset			Active
1	3100.24211	ACCUM DEP-AERIAL CABLE DROPS	Asset			Active
1	3100.24212	ACCUM DEP-FIBER OPTIC CABLE	Asset			Active

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1	3100.242121	ACCUM DEP - FTTH DROP	Asset			Active
1	3100.242122	Depreciation STB/DVR Installed	Asset			Active
1	3100.242123	ACCUM DEP INSTALL FTTH ONT	Liability			Active
1	3100.242124	Acc Dep-Install TV FTTH	Asset			Active
1	3100.242125	Acc Dep-Headend Electronics FTTH	Asset			Active
1	3100.2423	ACCUM DEP-BURIED CABLE	Asset			Active
1	3100.24231	ACCUM DEP-BURIED CABLE DROPS	Asset			Active
1	3100.2431	ACCUM DEP-AERIAL WIRE	Asset			Active
1	3100.251	A/DEP HEADEND ELECTRONICS	Liability			Active
1	3100.82366	FTTH Service Lines Installed	Asset			Active
1	3300.2124	ACCUM DEPT-NECA REVIEW	Liability			Active
1	4010.0	OPEN PAYABLES	Liability			Active
1	4010.1	A/P	Liability			Active
1	4010.11	A/P Calix Credit	Liability			Active
1	4010.2	A/P	Liability			Active
1	4010.201	A/P-STATE INCOME WITHHELD	Liability			Active
1	4010.21	A/P-P/R TAXES WITHHELD-FED & FICA emec	Liability			Active
1	4010.22	A/P-EXCISE TAX	Liability			Active
1	4010.222	A/P-FED TAX-PAGING	Liability			Active
1	4010.23	A/P-STATE SALES TAX	Liability			Active
1	4010.231	A/P SALES TAX-CABS	Liability			Active
1	4010.232	A/P SALES TAX-L/D	Liability			Active
1	4010.233	SALES TAX-PAGERS	Liability			Active
1	4010.24	A/P CANCER INSURANCE	Liability			Active
1	4010.25	A/P-LIFE INSURANCE	Liability			Active
1	4010.26	A/P-OTHER	Liability			Active
1	4010.27	A/P-UNBILLED TOLLS/COUNTY TAX	Liability			Active
1	4010.28	A/P-KY TRS	Liability			Active
1	4010.29	A/P-COUNTY TAX/OWSLEY COUNTY	Liability			Active
1	4010.291	A/P-JACKSON CO SCHOOL TAX	Liability			Active
1	4010.3	A/P-COUNTY TAX/CLAY COUNTY	Liability			Active
1	4010.31	A/P-COUNTY TAX/ESTILL COUNTY	Liability			Active
1	4010.311	County Tax/Laurel County	Liability			Active
1	4010.312	County Tax/Rockcastle County	Liability			Active
1	4010.32	A/P-PATRONAGE C/C PAYABLE	Liability			Active
1	4010.33	A/P-EAST KY INTERNET	Liability			Active

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1	4010.34	A/P-SAVINGS & 401(K) DEDUCTION	Liability			Active
1	4010.35	RETIREMENT-EMPLOYER PORTION	Liability			Active
1	4010.36	A/P-KY LIFELINE SUPPORT	Liability			Active
1	4010.37	A/P-STATE LIFELINE CREDIT	Liability			Active
1	4010.38	A/P-SLF	Liability			Active
1	4010.39	A/P-LONG-DISTANCE ACCRUAL	Liability			Active
1	4010.4	A/P-SLC-NECA	Liability			Active
1	4010.401	FUSC-DSL	Liability			Active
1	4010.41	A/P-BELL NTS	Liability			Active
1	4010.42	A/P-CELLULAR COLLECTIONS	Liability			Active
1	4010.43	AT&T B & C DUE	Liability			Active
1	4010.44	COUNTY TAX/JACKSON	Liability			Active
1	4010.45	AFLAC	Liability			Active
1	4010.46	MCKEE CITY TAX	Liability			Active
1	4010.47	CANCER FUND GIVEAWAY	Liability			Active
1	4010.48	911 TAX-OWSLEY CO	Liability			Active
1	4010.49	E911-JACKSON CO	Liability			Active
1	4010.51	FUSC L/D	Liability			Active
1	4010.52	GR REC/EX TAX FTTH	Liability			Active
1	4010.53	B/S SETTLEMENT CLEARING ACCT	Liability			Active
1	4010.7	ACCRUED LABOR	Liability			Active
1	4010.75	PAYROLL CLEARING	Liability			Active
1	4010.8	Retainages	Liability			Active
1	4020.0	CAPITAL CREDITS PAYABLE	Liability			Active
1	4020.1	CAPITAL CREDITS PAYABLE 1999	Liability			Active
1	4030.0	ADVANCE BILLING & PAYMENTS	Liability			Active
1	4030.1	ADVANCE BILLING	Liability			Active
1	4030.11	ADV BILL & PYMTS-KY TRS	Liability			Active
1	4030.12	ADV BILL & PYMTS-LOCAL SVC	Liability			Active
1	4030.121	ADV BILL & PYMTS-LOCAL SVC-CR	Liability			Active
1	4030.122	ADV B/P-LOCAL SVC-SVC LINES	Liability			Active
1	4030.13	ADV BILL & PYMTS-LOCAL SVC P/S	Liability			Active
1	4030.14	ADV BILL & PYMTS-SPECIAL CIRCUITS	Liability			Active
1	4030.15	ADV BILL & PYMTS-CALLING FEATURES	Liability			Active
1	4030.16	ADV BILL & PYMTS-FEDERAL ACCESS	Liability			Active
1	4030.161	ADV BILL & PYMTS-FED ACC-CR	Liability			Active

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1	4030.162	SLIC2 CHARGES	Liability			Active
1	4030.17	ADV BILL & PYMTS-CALLING PLANS	Liability			Active
1	4030.18	ADV BILL & PYMTS-KY INFOR HWY	Liability			Active
1	4030.19	ADV BILL & PYMTS-FOREIGN/EXTRA LIST	Liability			Active
1	4030.2	ADV BILL & PYMTS-EQUIPMENT	Liability			Active
1	4030.21	ADV BILL & PYMTS-INSIDE WIRE	Liability			Active
1	4030.22	ADV BILL & PYMTS-INTERNET PKGS	Liability			Active
1	4030.221	DSL	Liability			Active
1	4030.23	ADV BILLING-VOICE MAIL	Liability			Active
1	4030.24	ADV BILL-CONF BRIDGING	Liability			Active
1	4030.241	HOSTED VOIP	Liability			Active
1	4030.242	EASY ATTENDANT	Liability			Active
1	4030.25	FTTH BASIC PROGRAMMING	Liability			Active
1	4030.26	FTTH EXPANDED PROGRAMMING	Liability			Active
1	4030.27	FTTH PREMIUM CHANNELS	Liability			Active
1	4030.28	FTTH DIGITAL REVENUE	Liability			Active
1	4030.29	FTTH EQUIPMENT RENTAL	Liability			Active
1	4030.3	FTTH LATE CHARGES	Liability			Active
1	4030.31	FTTH SERVICE CHARGES	Liability			Active
1	4030.32	FTTH RETRANSMISSION FEE	Liability			Active
1	4040.0	CUSTOMER DEPOSITS	Liability			Active
1	4040.1	Customer Deposits-Other Than Telephone	Liability			Active
1	4040.2	Deposit Holding/Old Accounts	Liability			Active
1	4070.1	ACCRUED INCOME TAX	Liability			Active
1	4080.1	OTHER TAXES ACCRUED-PROPERTY TAX	Liability			Active
1	4080.2	OTHER TAXES ACCRUED-EMPLOYERS FICA	Liability			Active
1	4080.3	OTHER TAXES ACCRUED-STATE UNEMPLOY	Liability			Active
1	4080.4	OTHER TAXES ACCRUED-FED UNEMP 940	Liability			Active
1	4080.5	OTHER TAXES ACCRUED-990	Liability			Active
1	4080.6	ACCRUED TAXES-COUNTY OCCUP TAX	Liability			Active
1	4080.7	Other Taxes Accrued-TN Unemployment	Liability			Active
1	4120.1	OTHER ACCR LIAB-ACCR INT REA NOTES	Liability			Active
1	4120.2	ACCRUED INTEREST-RTB NOTES	Liability			Active
1	4120.3	OTHER ACCR LIAB-ACCR INT-CUST DEP	Liability			Active
1	4120.4	OTHER ACCR LIAB-ACCR VAC BIRTH HOLI	Liability			Active
1	4120.41	REGULAR HOLIDAY PAY	Liability			Active

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1	4120.42	REGULAR BIRTHDAY PAY	Liability			Active
1	4120.5	OTHER ACCR LIAB-ACCRUED SICK LEAVE	Liability			Active
1	4120.6	OTHER TAXES ACCR-JOINT USE RENTAL	Liability			Active
1	4120.7	OTHER TAXES ACCR-TOWER RENTAL	Liability			Active
1	4120.8	OTHER TAXES ACCRUED-990	Liability			Active
1	4120.9	EMPLOYEE CONCESSIONS	Liability			Active
1	4210.0	FUNDED DEBT-REA NOTES	Liability			Active
1	4210.14	RTB NOTES EXECUTED	Liability			Active
1	4210.15	FUNDED DEBT	Liability			Active
1	4210.18	FUNDED DEBT-UNADVANCED REA	Liability			Active
1	4210.19	RTB NOTES UNADVANCED	Liability			Active
1	4210.2	BIP LOAN FUNDS ADVANCED	Liability			Active
1	4210.21	BIP PRINCIPAL PAYMENTS	Liability			Active
1	4310.0	ACCUMULATED POSTRETIREMENT BENEFITS	Liability			Active
1	4540.12	OTHER CAPITAL-M/S SUBSCRIBED-UNISSU	Liability			Active
1	4540.21	OTHER CAPITAL-\$46 MEMBERSHIPS	Liability			Active
1	4540.22	OTHER CAPITAL-\$10 MEMBERSHIPS	Liability			Active
1	4550.4	PATRONAGE CAPITAL ASSIGNABLE	Liability			Active
1	4550.5	PATRONAGE CAPITAL ASSIGNED	Liability			Active
1	4550.51	NON-OPER PAT UNASSIGNED	Liability			Active
1	4550.6	DONATED CAPITAL	Liability			Active
1	4550.7	RETIRED CAPITAL GAINS	Liability			Active
1	4560.0	OTHER COMPREHENSIVE INCOME	Liability			Active
1	5001.0	BASIC AREA REVENUE	Income	Operating		Active
1	5010.0	PUBLIC TELEPHONE REVENUE	Income	Operating		Active
1	5041.0	LOCAL FX REVENUE	Income	Operating		Active
1	5060.0	OTHER LOCAL EXCHANGE REVENUE	Income	Operating		Active
1	5060.1	PIC CHARGE-INTRASTATE	Income	Operating		Active
1	5060.2	DSL REVENUE	Income	Operating		Active
1	5060.3	Credit on Metered Service	Income	Operating		Active
1	5080.0	NETWORK ACCESS REVENUE	Income	Operating		Active
1	5080.1	ARC-Residence	Income	Operating		Active
1	5080.2	ARC MULTI-LINE BUSINESS	Income	Operating		Active
1	5080.3	ARC Single Line Business	Income	Operating		Active
1	5081.0	END USER REV-SLIC FUSC ETC	Income	Operating		Active
1	5082.2	NECA SETTLEMENT EC3050	Income	Operating		Active

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<u>Div</u>	<u>Account</u>	<u>Description</u>	<u>Type</u>	<u>Category</u>	<u>Group</u>	<u>Status</u>
1	5082.21	CABS-LOCAL TRANS INTER/INTRA	Income	Operating		Active
1	5082.31	CABS-END OFC-INTER/INTER	Income	Operating		Active
1	5082.41	CABS-CCL-INTERSTATE	Income	Operating		Active
1	5082.51	CABS-D/A SURCHARGE-INTER/INTER	Income	Operating		Active
1	5082.61	CABS SPECIAL ACCESS INTERSTATE	Income	Operating		Active
1	5082.71	CABS-LATE PYMT-INTERSTATE	Income	Operating		Active
1	5082.81	NECA HIGH COST LOOP REV	Income	Operating		Active
1	5082.82	NECA-SAFETY NET ADDITIVE	Income	Operating		Active
1	5082.83	NECA-LIFELINE	Income	Operating		Active
1	5082.84	NECA-LINK UP	Income	Operating		Active
1	5082.85	NECA FUSC	Income	Operating		Active
1	5082.86	FUSC-DSL	Income	Operating		Active
1	5082.87	CAF	Income	Operating		Active
1	5083.1	CABS-SPECIAL-INTERSTATE	Income	Operating		Active
1	5083.2	DSL REVENUE	Income	Operating		Active
1	5083.3	DSL REV-EMP CONC	Income	Operating		Active
1	5083.4	DSL CABS	Income	Operating		Active
1	5083.5	Stand-Alone DSL Revenue	Income	Operating		Active
1	5084.11	SCB-ACCESS CHARGE	Income	Operating		Active
1	5084.13	SCB-RESIDUAL CHARGE	Income	Operating		Active
1	5084.21	CABS-LOCAL TRANSPORT-INTRA/INTER	Income	Operating		Active
1	5084.22	CABS-LOCAL TRANS INTRA/INTRA	Income	Operating		Active
1	5084.31	CABS-END OFFICE-INTERSTATE	Income	Operating		Active
1	5084.32	CABS-END OFFICE-INTRA/INTER	Income	Operating		Active
1	5084.41	CABS-CARRIER COMMON LINE-INTERSTATE	Income	Operating		Active
1	5084.42	CABS-CCL INTRA/INTRA	Income	Operating		Active
1	5084.51	CABS-D/A SURCHARGE-INTER/INTRA	Income	Operating		Active
1	5084.52	CABS-D/A SURCHARGE-INTRA/INTER	Income	Operating		Active
1	5084.61	SPECIAL ACCESS SERVICES INTRASTATE	Income	Operating		Active
1	5084.62	CABS INSTALL/ORDER CHARGES	Income	Operating		Active
1	5084.71	CABS-LATE PAYMENT-INTERSTATE	Income	Operating		Active
1	5084.72	CABS-LATE PAYMENT-INTRASTATE	Income	Operating		Active
1	5084.73	CABS-CELLULAR ACCESS	Income	Operating		Active
1	5084.74	PRI PORT CHARGE-NECA	Income	Operating		Active
1	5084.75	CABS-CARRIER DEPOSITS	Income	Operating		Active
1	5084.76	KIH REVENUE TRUE UP	Income	Operating		Active

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1	5084.77	RECIP COMP CHARGES	Income	Operating		Active
1	5110.1	L/D/M REV-NECA	Income	Operating		Active
1	5110.11	HIGH-COST LOOP REV	Income	Operating		Active
1	5110.2	L/D/M REV-INTERSTATE TOLLS	Income	Operating		Active
1	5110.21	L/D/M REV-CALLING CARDS	Income	Operating		Active
1	5110.22	L/D/M REV-INTERSTATE	Income	Operating		Active
1	5110.23	PREPAID CALLING CARDS	Income	Operating		Active
1	5110.3	L/D/M REV-INTRASTATE TOLLS	Income	Operating		Active
1	5110.4	INTRALATA REV-CALLING CARDS-PARIS	Income	Operating		Active
1	5110.5	BELLSOUTH EU REVENUE	Income	Operating		Active
1	5111.1	L/D/M REV-INWARD WATTS REV-INTER	Income	Operating		Active
1	5111.2	L/D/M REV-OUTWARD WATTS REV-INTRA	Income	Operating		Active
1	5111.3	L/D/M REV-INTER #800	Income	Operating		Active
1	5111.4	L/D/M REV-INTRA #800	Income	Operating		Active
1	5160.0	OTHER LONG DISTANCE REVENUE	Income	Operating		Active
1	5230.0	DIRECTORY REVENUE	Income	Operating		Active
1	5240.0	RENT REVENUE	Income	Operating		Active
1	5240.1	RENT REV	Income	Operating		Active
1	5250.0	Lease Revenue from PRTC	Income	Operating		Active
1	5260.0	MISCELLANEOUS REVENUE	Income	Operating		Active
1	5260.1	MISC REV-STATEWIDE CREDIT AGENCY	Income	Operating		Active
1	5260.2	MIS REV-BID DOCUMENTS	Income	Operating		Active
1	5262.0	CUSTOMER OPERATIONS REVENUE	Income	Operating		Active
1	5270.0	CARRIER B & C-SCB	Income	Operating		Active
1	5270.1	CARRIER B & C-NECA	Income	Operating		Active
1	5270.2	CARRIER B & C-INTRASTATE BILLING	Income	Operating		Active
1	5270.31	INTRASTATE B & C INS	Income	Operating		Active
1	5270.32	INTERSTATE B & C INS	Income	Operating		Active
1	5270.33	B & C-PEOPLES TELECOM	Income	Operating		Active
1	5270.34	B&C-OWSLEY CO E911	Income	Operating		Active
1	5270.35	B&C E911 JACKSON CO	Income	Operating		Active
1	5270.4	B & C for TV	Income	Operating		Active
1	5301.0	UNCOLLECTIBLE REV-TELECOMMUNICATION	Income	Operating		Active
1	6112.0	MOTOR VEHICLE EXP	Expense	Operating		Active
1	6112.1	MOTOR VEHICLE EXP-MGR/OFC MGR	Expense	Operating		Active
1	6116.0	OTHER WORK EQUIPMENT EXP	Expense	Operating		Active

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1	6121.0	LAND & BUILDING EXP	Expense	Operating		Active
1	6121.1	CS RENOVATION	Expense	Operating		Active
1	6122.0	FURNITURE/ARTWORKS	Expense	Operating		Active
1	6122.1	COMPUTER/SOFTWARE EXPENSE	Expense	Operating		Active
1	6122.2	PRINTER LEASE	Expense	Operating		Active
1	6122.3	SERVER LEASE	Expense	Operating		Active
1	6122.4	LEASE ON STUFFER	Expense	Operating		Active
1	6123.0	COPIER EQUIPMENT	Expense	Operating		Active
1	6123.3	LEASE ON STUFFER	Expense	Operating		Active
1	6124.0	GENERAL PURPOSE COMPUTERS	Expense	Operating		Active
1	6124.1	SOFTWARE EXPENSE	Expense	Operating		Active
1	6124.2	IBM AS400 LEASE	Expense	Operating		Active
1	6125.0	MICROFICHE EQUIPMENT EXP	Expense	Operating		Active
1	6126.0	RECORD RETENTION VRC	Expense	Operating		Active
1	6126.1	RECORD RETENTION-STORAGE	Expense	Operating		Active
1	6212.0	DIGITAL ELECTRONIC EXP	Expense	Operating		Active
1	6212.1	COE EXP-LETTERBOX	Expense	Operating		Active
1	6212.2	COE EXP-ANNVILLE	Expense	Operating		Active
1	6212.3	COE EXP-TYNER	Expense	Operating		Active
1	6212.4	C/O TRAVEL	Expense	Operating		Active
1	6215.1	ELECTRO-MECHANICAL EXP	Expense	Operating		Active
1	6231.0	RADIO SYSTEMS EXP	Expense	Operating		Active
1	6232.0	CIRCUIT EQUIPMENT EXP	Expense	Operating		Active
1	6232.1	DSL FTTH REPAIR	Expense	Operating		Active
1	6351.0	PUBLIC TELEPHONE TERM EQUIP EXP	Expense	Operating		Active
1	6364.0	TRUNK & DISTRIBUTION	Expense	Operating		Active
1	6411.0	POLES EXP	Expense	Operating		Active
1	6411.1	POLE LINE EXP-DRIFTWOOD	Expense	Operating		Active
1	6411.2	OUTSIDE PLANT-TRAVEL	Expense	Operating		Active
1	6411.3	Storm Damage-Poles	Expense	Operating		Active
1	6421.0	AERIAL CABLE EXP	Expense	Operating		Active
1	6421.1	AERIAL DROP EXPENSE	Expense	Operating		Active
1	6421.2	FIBER OPTIC CABLE EXP	Expense	Operating		Active
1	6421.3	FTTH ONT ENC ETC	Expense	Operating		Active
1	6421.4	FIBER RING	Expense	Operating		Active
1	6421.5	Storm Damage-Fiber	Expense	Operating		Active

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Div	Account	Description	Type	Category	Group	Status
1	6421.6	Storm Damage-Drops	Expense	Operating		Active
1	6423.0	BURIED CABLE EXP	Expense	Operating		Active
1	6423.1	BURIED DROP EXPENSE	Expense	Operating		Active
1	6431.0	AERIAL WIRE EXP	Expense	Operating		Active
1	6441.0	OUTSIDE PLANT-OTHER	Expense	Operating		Active
1	6512.0	PROVISIONING EXP	Expense	Operating		Active
1	6531.0	POWER EXP	Expense	Operating		Active
1	6534.0	PLANT OPERATIONS ADMIN EXP	Expense	Operating		Active
1	6534.1	PLANT ADMIN - FTTH	Expense	Operating		Active
1	6535.0	GENERAL ENGINEERING EXPENSE	Expense	Operating		Active
1	6540.0	ACCESS EXPENSE (USAC)	Expense	Operating		Active
1	6561.0	DEPRECIATION EXP P/I/S	Expense	Operating		Active
1	6561.1	DEPRECIATION EXP-GENERAL	Expense	Operating		Active
1	6563.0	AMORTIZATION EXP EXTRA RETIREMENT	Expense	Operating		Active
1	6613.1	PRODUCT ADVERTISING-TELEPHONE	Expense	Operating		Active
1	6613.2	PRODUCT ADVERTISING-DIRECTORY	Expense	Operating		Active
1	6613.3	OFC SALARIES-MARKETING	Expense	Operating		Active
1	6613.4	PRODUCT ADVERTISING-LONG DISTANCE	Expense	Operating		Active
1	6613.5	PRODUCT ADVERTISING-INTERNET/DSL	Expense	Operating		Active
1	6613.6	PRODUCT ADVERTISING-FTTH	Expense	Operating		Active
1	6621.0	CALL COMPLETION SERVICE	Expense	Operating		Active
1	6623.0	CUSTOMER SERVICES	Expense	Operating		Active
1	6623.1	CUSTOMER SERVICES-CABS	Expense	Operating		Active
1	6623.2	CUSTOMER SERVICES-EQUAL ACCESS	Expense	Operating		Active
1	6623.3	CUSTOMER SERVICES-ANSWERING SERVICE	Expense	Operating		Active
1	6623.4	CUSTOMER SVCS-CAD	Expense	Operating		Active
1	6627.0	CUSTOMER SERVICE-REV ACCOUNTING	Expense	Operating		Active
1	6627.1	REV ACCT-CABS	Expense	Operating		Active
1	6627.2	REV ACCT-SOLIX/NEUSTAR ETC	Expense	Operating		Active
1	6627.3	DATABASE QUERY EXP-B/S	Expense	Operating		Active
1	6627.4	MISC SVCS-B/S	Expense	Operating		Active
1	6711.1	EXECUTIVE-MANAGER	Expense	Operating		Active
1	6711.2	EXECUTIVE-CUSTOMER SERVICE MGR	Expense	Operating		Active
1	6711.3	DIRECTORS' FEES/EXPENSES	Expense	Operating		Active
1	6711.4	NETWORK MANAGER	Expense	Operating		Active
1	6712.0	STRATEGIC PLANNING/CONSULTING EXP	Expense	Operating		Active

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1	6721.0	ACCOUNTING & FINANCE	Expense	Operating		Active
1	6722.0	EXTERNAL RELATIONS	Expense	Operating		Active
1	6723.0	HUMAN RESOURCES EXP	Expense	Operating		Active
1	6723.1	HR - SAFETY	Expense	Operating		Active
1	6723.2	H/R-SALARY EXPENSES	Expense	Operating		Active
1	6723.3	EDUCATION EXPENSES	Expense	Operating		Active
1	6723.4	H/R-TRAVEL EXPENSES	Expense	Operating		Active
1	6725.0	ATTORNEY EXPENSES	Expense	Operating		Active
1	6726.0	PROCUREMENT	Expense	Operating		Active
1	6728.1	OTHER G & A-SALARY	Expense	Operating		Active
1	6728.11	OTHER G & A-MISCELLANEOUS	Expense	Operating		Active
1	6728.12	OTHER G & A-RETIRED EMP HEALTH INS	Expense	Operating		Active
1	6728.13	OTHER G & A-DIRECTORS' HEALTH INS	Expense	Operating		Active
1	6728.14	OTHER G & A-ADMIN EXP	Expense	Operating		Active
1	6728.15	OTHER G & A-ECONOMIC DEVELOPMENT	Expense	Operating		Active
1	6728.16	OTHER G & A-LAWYER	Expense	Operating		Active
1	6728.2	OTHER G & A-OFFICE SUPPLIES	Expense	Operating		Active
1	6728.3	OTHER G & A-INSURANCE EXP	Expense	Operating		Active
1	6728.4	OTHER G & A-DIRECTORS' FEES	Expense	Operating		Active
1	6728.5	OTHER G & A-DIRECTORS' TRAVEL	Expense	Operating		Active
1	6728.6	OTHER G & A-MEMBERSHIP DUES	Expense	Operating		Active
1	6728.7	OTHER G & A-INVENTORY	Expense	Operating		Active
1	6728.8	OTHER G & A-AUDIT	Expense	Operating		Active
1	6728.9	ANNUAL MEETING	Expense	Operating		Active
1	7220.0	FEDERAL INCOME TAX	Income	Operating		Active
1	7230.0	STATE AND LOCAL TAXES	Income	Operating		Active
1	7240.1	PROPERTY TAXES	Income	Operating		Active
1	7240.3	OTHER TAXES	Income	Operating		Active
1	7310.0	DIVIDEND INCOME	Income	Operating		Active
1	7320.0	INTEREST INCOME	Income	Operating		Active
1	7320.1	EXCISE TAX REFUND	Income	Operating		Active
1	7320.2	INTEREST-INSTALLMENT BILLING	Income	Operating		Active
1	7320.3	INTEREST-INSTALL. BILL PHONES	Income	Operating		Active
1	7320.4	RTB STOCK DIVIDENDS	Income	Operating		Active
1	7330.0	INTEREST INCOME AFUDC	Income	Operating		Active
1	7340.0	MISC NON-OPERATING INC	Income	Operating		Active

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1	7350.0	GAIN/LOSS OF DISPOSITION OF PROPERT	Income	Operating		Active
1	7360.0	NON-OPER INC-PROFIT IN PARTNERSHIP	Income	Operating		Active
1	7360.1	PATRONAGE DIVIDEND FROM RTB	Income	Operating		Active
1	7360.41	PROFIT/LOSS EKN	Income	Operating		Active
1	7360.71	Profit/Loss Peoples Telecom	Expense	Non Operating		Active
1	7370.0	SPECIAL CHARGES-CONTRIBUTIONS	Income	Operating		Active
1	7370.1	SPECIAL CONTRIBUTIONS-TECO	Income	Operating		Active
1	7420.0	NON-OPER INC-FEDERAL INCOME TAX	Income	Operating		Active
1	7430.0	STATE INCOME TAX	Income	Operating		Active
1	7510.0	INTEREST ON FUNDED DEBT	Income	Operating		Active
1	7510.1	INTEREST ON RTB NOTES	Income	Operating		Active
1	7510.22	INTEREST ON RTB NOTES	Income	Operating		Active
1	7510.23	INTEREST ON BIP LOAN	Income	Operating		Active
1	7540.0	OTHER INTEREST DEDUCTIONS	Income	Operating		Active
1	7900.0	HOURS & LABOR	Income	Operating		Active
1	7901.0	Benefits	Income	Operating		Active
1	7902.0	NON-PRODUCTIVE TIME	Income	Operating		Active
1	7920.0	Metered Service Calls	Income	Non Operating		Active
1	7930.1	EMP CONC-OFFICE	Expense	Operating		Active
1	7930.2	EMP CONC-CENTRAL OFFICE	Expense	Operating		Active
1	7930.3	EMP CONC-O/S CONST	Expense	Operating		Active
1	7930.4	EMP CONC-INST/REP	Expense	Operating		Active
1	7930.5	EMP CONC-ACCT	Expense	Operating		Active
1	7940.0	EMP CONCESSIONS-NON-REG	Income	Operating		Active
1	7950.1	NON-REG PAGES-MERCHANDISE SOLD	Income	Operating		Active
1	7950.2	NON-REG PAGERS MONTHLY CHARGE	Income	Operating		Active
1	7950.3	NON-REG PAGERS-ACTIVATION FEE	Income	Operating		Active
1	7960.1	PAGERS PURCHASED	Expense	Operating		Active
1	7960.2	OFC SALARIES-PAGERS	Expense	Operating		Active
1	7960.3	NON-REG PAGERS-ADV	Expense	Operating		Active
1	7960.4	PAGING EXP-MTHLY SERVICE	Expense	Operating		Active
1	7960.5	PAGING EXP-PAGERS PURCHASED	Expense	Operating		Active
1	7970.1	NON-REG L/D INTER/INTER	Income	Operating		Active
1	7970.11	N/R L/D CALLING PLANS	Income	Operating		Active
1	7970.12	N/R L/D FUSC	Income	Operating		Active
1	7970.2	NON-REG L/D INTRA/INTER	Income	Operating		Active

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1	7970.3	NON-REG L/D INTER/INTRA	Income	Operating		Active
1	7970.4	NON-REG L/D INTRA/INTRA	Income	Operating		Active
1	7970.5	NON-REG L/D MISC CHGS	Income	Operating		Active
1	7970.6	NON-REG L/D CALLING PLANS	Income	Operating		Active
1	7970.7	NON-REG L/D PREPAID CALLING CARDS	Income	Operating		Active
1	7970.8	NON-REG L/D POS PREPD C/C	Income	Operating		Active
1	7970.9	L/D REV-FIBER RING	Income	Operating		Active
1	7980.1	NON-REG L/D S&W	Expense	Operating		Active
1	7980.11	NON-REG L/D-SOFTWARE SETUP	Expense	Operating		Active
1	7980.12	NON-REG EXP L/D-ADMINISTRATIVE	Expense	Operating		Active
1	7980.13	L/D EXP B/C-INTER	Expense	Operating		Active
1	7980.14	L/D EXP B/C-INTRA	Expense	Operating		Active
1	7980.15	L/D EXP-FIBER RING LEASE	Expense	Operating		Active
1	7980.16	N/R L/D OUTBOUND INTRA	Expense	Operating		Active
1	7980.2	NON-REG EXP L/D-CO	Expense	Operating		Active
1	7980.3	NON-REG EXP L/D-MTG TRAINING	Expense	Operating		Active
1	7980.4	N/R EXP-ANCILLARY FEES L/D	Expense	Operating		Active
1	7980.5	N/R EXP INBOUND INTRASTATE	Expense	Operating		Active
1	7980.51	L/D EXP-INBOUND INTERSTATE	Expense	Operating		Active
1	7980.52	L/D EXP-INBOUND INTERNATIONAL	Expense	Operating		Active
1	7980.6	N/R EXP OUTBOUND INTRASTATE	Expense	Operating		Active
1	7980.61	L/D EXP-OUTBOUND INTERSTATE	Expense	Operating		Active
1	7980.62	L/D EXP-OUTBOUND-INTERNATIONAL	Expense	Operating		Active
1	7980.63	L/D EXP-OUTBOUND D/A INTER	Expense	Operating		Active
1	7980.64	L/D EXP-OUTBOUND D/A-INTRA	Expense	Operating		Active
1	7980.7	N/R EXP-OTHER CHARGES	Expense	Operating		Active
1	7980.8	NON-REG L/D-ADVERTISING	Expense	Operating		Active
1	7980.9	NON-REG L/D-C/C	Expense	Operating		Active
1	7990.528011	NON-REG INC-LEASE REV-STAT APPAR	Income	Operating		Active
1	7990.528012	NON-REG INC-INSIDE WIRE	Income	Operating		Active
1	7990.528013	NON-REG INC-SERVICE CHARGES	Income	Operating		Active
1	7990.528014	NON-REG INC-SALES REVENUE	Income	Operating		Active
1	7990.528015	NON-REG INC-INTERNET S/C	Income	Operating		Active
1	7990.528016	NON-REG INC-INTERNET SOFTWARE	Income	Operating		Active
1	7990.528017	NON-REG INC-INTERNET-MONTHLY CHGS	Income	Operating		Active
1	7990.528018	CREDIT ON INTERNET TOLL-BNVL	Income	Operating		Active

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1	7990.528019	NON-REG REV SALE OF POLES	Income	Operating		Active
1	7990.52802	NON-REG INC VOICE MAIL	Income	Operating		Active
1	7990.528021	NON-REG INC-CELLULAR SALES	Income	Operating		Active
1	7990.528022	NON-REG CELLULAR COMMISSION	Income	Operating		Active
1	7990.528023	FIBER RING LEASE	Income	Operating		Active
1	7990.528024	NON-REG CONF BRIDGING	Income	Operating		Active
1	7990.528025	N/R DOMAIN NAME	Income	Operating		Active
1	7990.528026	N/R WEB HOSTING	Income	Operating		Active
1	7990.528027	N/R XTRA E-MAIL/WEB HOSTING	Income	Operating		Active
1	7990.528028	NON REG INC-SALE OF DSL EQUIP	Income	Operating		Active
1	7990.528029	N/R INC-SERVICE OF KEY SYSTEMS	Income	Operating		Active
1	7990.52803	N/R-MISC MERCH	Income	Operating		Active
1	7990.528031	CONSULTING	Income	Operating		Active
1	7990.528032	NON-REG FOOTBALL SALES	Income	Operating		Active
1	7990.53011	UNCOLLECTIBLE REV-TELECOMMUNICATION	Income	Operating		Active
1	7990.62311	NON-REG INC-INSTALL-I/S WIRE EXP	Income	Operating		Active
1	7990.62312	NON-REG INC-REPAIR	Income	Operating		Active
1	7990.62313	INSTALL CUSTOMER OWNED KEY SYSTEMS	Income	Operating		Active
1	7990.62314	INSTALL - FTTH CUSTOMERS	Income	Operating		Active
1	7990.62315	REPAIR - FTTH	Income	Operating		Active
1	7990.63111	NON-REG INC-REPAIR OF PHONES	Income	Operating		Active
1	7990.63112	NON-REG INC-MAINTENANCE EXP	Income	Operating		Active
1	7990.63113	NON-REG INC-COST OF GOODS SOLD	Income	Operating		Active
1	7990.6351	NON-REG INC-PAYSTATIONS	Income	Operating		Active
1	7990.63511	NON-REG INC PAYSTATION-MONEY	Income	Operating		Active
1	7990.65611	NON-REG INC-DEPRECIATION	Income	Operating		Active
1	7990.6713	INTERNET SOFTWARE-PURCHASE	Income	Operating		Active
1	7990.67131	OFFICE SALARIES-INTERNET	Income	Operating		Active
1	7990.67132	INTERNET CHARGES	Income	Operating		Active
1	7990.672815	NON-REG INC-OTHER	Income	Operating		Active
1	7990.72402	NON-REG INC-PROPERTY TAXES	Income	Operating		Active
1	8113.01	CASH-CABLE TV	Asset			Active
1	8113.06	CASH-CABLE TV	Asset			Active
1	8118.0	A/R-CUSTOMER CABLE	Asset			Active
1	8118.011	MISC ADJ-CABLE TV	Asset			Active
1	8118.03	RETURNED CHECKS-CATV	Asset			Active

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1	8118.04	A/R HOLDING FOR BALANCING	Asset			Active
1	8118.12	BAD DEBT WRITE-OFF	Asset			Active
1	8118.13	A/R WRITE-OFF CABLE TV	Asset			Active
1	8211.1	LAND	Asset			Active
1	8232.1	HEADEND BUILDINGS	Asset			Active
1	8232.3	HEADEND ELECTRONICS	Asset			Active
1	8236.4	TRUNK & DISTRIBUTION	Asset			Active
1	8236.41	INSTALL - FTTH	Asset			Active
1	8236.6	SERVICE LINES	Asset			Active
1	8236.7	INSIDE WIRE	Asset			Active
1	8236.8	SUBSCRIBER DEVICES	Asset			Active
1	8241.1	POLE LINE	Asset			Active
1	8310.02111	ACCUM DEP-LAND	Asset			Active
1	8310.02321	ACCUM DEP-HEADEND BUILDING	Asset			Active
1	8310.02323	ACCUM DEP-HEADEND ELECTRONICS	Asset			Active
1	8310.02364	ACCUM DEP-TRUNK & DISTRIBUTION	Asset			Active
1	8310.02366	ACCUM DEP-SERVICE LINES	Asset			Active
1	8310.02367	ACCUM DEP-INSIDE WIRE	Asset			Active
1	8310.02368	ACCUM DEP-CUSTOMER DEVICES	Asset			Active
1	8310.02411	ACCUM DEP POLE LINE	Asset			Active
1	8401.022	EXCISE TAX-CABLE TV	Liability			Active
1	8401.023	SALES TAX-CATV	Asset			Active
1	8402.0	A/P-CABLE	Liability			Active
1	8403.0	ADVANCED BILLING-CABLE	Liability			Active
1	8403.01	ADV BILLING-BASIC CABLE	Liability			Active
1	8403.02	ADV BILLING-EXPANDED BASIC CABLE	Liability			Active
1	8403.03	ADV BILLING-PREMIUM CHANNELS	Liability			Active
1	8403.04	ADV BILLING-CABLE CONVERTER	Liability			Active
1	8403.05	TAPES-CABLE TV	Liability			Active
1	8403.06	ADV BILLING-MONITORING	Liability			Active
1	8403.07	ADVANCED BILLING-DIGITAL PKG	Liability			Active
1	8403.08	TRIP/SVC CHARGE	Liability			Active
1	8404.0	CUSTOMER DEPOSITS-CABLE	Liability			Active
1	8454.0	CAPITAL STOCK-CABLE	Liability			Active
1	8455.04	CAPITAL CREDITS CABLE	Liability			Active
1	8455.05	CAPITAL CREDIT ASSIGNED CABLE TV	Liability			Active

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Div	Account	Description	Type	Category	Group	Status
1	8500.1	BASIC CABLE REVENUE	Income	Operating		Active
1	8500.11	EXPANDED BASIC CABLE	Income	Operating		Active
1	8500.2	PREMIUM CHANNELS	Income	Operating		Active
1	8500.3	EQUIPMENT RENTAL-CABLE	Income	Operating		Active
1	8500.31	ADVERTISING REVENUE-CABLE	Income	Operating		Active
1	8500.32	EQUIPMENT SALES CATV	Income	Operating		Active
1	8500.33	DVD SALES	Income	Operating		Active
1	8500.41	LATE CHARGES-CABLE	Income	Operating		Active
1	8500.42	SERVICE CHARGES-CABLE	Income	Operating		Active
1	8500.43	RETRANSMISSION FEE	Income	Operating		Active
1	8525.0	MISC MERCH	Income	Operating		Active
1	8525.1	MISC REVENUE CATV	Income	Operating		Active
1	8600.0	COST OF GOOD SOLD CATV	Expense	Operating		Active
1	8612.1	LAND & BLDG-CABLE	Expense	Operating		Active
1	8632.1	HEADEND BUILDING EXPENSE	Expense	Operating		Active
1	8632.3	HEADEND ELECTRONICS EXPENSE	Expense	Operating		Active
1	8636.4	TRUNK & DISTRIBUTION EXPENSE	Expense	Operating		Active
1	8636.41	REPAIR - FTTH	Expense	Operating		Active
1	8636.6	SERICE LINE EXPENSE-CABLE	Expense	Operating		Active
1	8636.7	SUBSCRIBER DEVICES EXPENSE-CABLE	Expense	Operating		Active
1	8636.8	REPAIR OF SUBSCRIBER DEVICES	Expense	Operating		Active
1	8641.1	POLE LINE EXPENSE	Expense	Operating		Active
1	8653.4	PLANT OPERATIONS-CATV	Expense	Operating		Active
1	8656.8	PROGRAMMING EXPENSE-CABLE	Expense	Operating		Active
1	8656.81	BASIC CABLE PROGRAMMING EXPENSE	Expense	Operating		Active
1	8656.82	EXPANDED BASIC PROGRAMMING EXPENSE	Expense	Operating		Active
1	8656.83	PREMIUM CHANNEL PROGRAMMING EXP	Expense	Operating		Active
1	8661.3	ADVERTISING EXP	Expense	Operating		Active
1	8662.3	CUSTOMER SERVICE EXPENSE	Expense	Operating		Active
1	8662.4	MARKETING SALARIES	Expense	Operating		Active
1	8662.7	INFOR SERVICES SALARIES	Expense	Operating		Active
1	8671.1	EXECUTIVE EXPENSE	Expense	Operating		Active
1	8671.2	STRATEGIC EXPENSE	Expense	Operating		Active
1	8672.1	ACCOUNTING & FINANCE	Expense	Operating		Active
1	8672.3	HUMAN RESOURCES CATV	Expense	Operating		Active
1	8672.8	MISCELLANEOUS EXPENSE	Expense	Operating		Active

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Div	Account	Description	Type	Category	Group	Status
1	8732.0	INTEREST INC-CABLE TV	Income	Operating		Active
1	9110.0	FTTH BASIC PROGRAMMING	Income	Operating		Active
1	9111.0	FTTH EXPANDED PROGRAMMING	Income	Operating		Active
1	9112.0	FTTH PREMIUM CHANNELS	Income	Operating		Active
1	9113.0	FTTH DIGITAL REVENUE	Income	Operating		Active
1	9113.1	SPORTS TIER REVENUE	Income	Operating		Active
1	9114.0	FTTH EQUIP RENTAL	Income	Operating		Active
1	9115.0	Whole Home DVR	Income	Operating		Active
1	9116.0	FTTH SERVICE CHARGES	Income	Operating		Active
1	9117.0	FTTH CONTRACT	Income	Operating		Active
1	9118.0	FTTH RETRANSMISSION FEE	Income	Operating		Active
1	9119.0	Late Charges FTTH	Income	Operating		Active
1	9120.0	Equipment Sales FTTH	Income	Non Operating		Active
1	9121.0	Advertising Revenue FTTH	Income	Operating		Active
1	9122.0	Tapes FTTH	Income	Operating		Active
1	9123.0	Service Charges FTTH	Income	Operating		Active
1	9124.0	Commission FTTH	Income	Operating		Active
1	9125.0	DVD Sales	Income	Non Operating		Active
1	9190.0	Uncollectible Revenue FTTH	Income	Operating		Active
1	9210.0	FTTH BASIC PROG EXP	Expense	Operating		Active
1	9211.0	FTTH EXP BASIC EXP	Expense	Operating		Active
1	9212.0	FTTH PREMIUM PROG EXP	Expense	Operating		Active
1	9213.0	FTTH DIGITAL PROG EXP	Expense	Operating		Active
1	9213.1	FTTH SPORTS TIER EXPENSE	Expense	Operating		Active
1	9214.0	FTTH HEADEND ELECTRONICS EXPENSE	Expense	Operating		Active
1	9215.0	FTTH ADVERTISING EXPENSE	Expense	Operating		Active
1	9216.0	FTTH EXECUTIVE EXPENSE	Expense	Operating		Active
1	9217.0	FTTH ACCOUNTING EXPENSE	Expense	Operating		Active
1	9218.0	FTTH CUSTOMER SERVICE EXPENSE	Expense	Operating		Active
1	9219.0	SUBSCRIBER DEVICE EXPENSE	Expense	Operating		Active
1	9220.0	FTTH HEADEND EXPENSE	Expense	Operating		Active
1	9221.0	ONT POWER CABLES	Expense	Operating		Active
1	9222.0	FTTH Trunk & Distribution Exp	Expense	Operating		Active
1	9223.0	Headend Lease Expense	Expense	Non Operating		Active
1	9225.0	B & C Expense	Expense	Non Operating		Active
1	9310.0	FTTH HEADEND ELECTRONICS	Asset			Active

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Div	Account	Description	Type	Category	Group	Status
1	9311.0	Miscellaneous Expense	Expense	Operating		Active
1	9312.0	TV Repair FTTH	Expense	Operating		Active
1	9411.0	Install TV FTTH	Asset			Active
1	9501.0	School Tax FTTH	Income	Operating		Active
1	9998.0	9998 CLEARING	Clearing			Active
1	9998.1	9998.1 CLEARING	Clearing			Active
1	9998.2	9998.2 CLEARING	Clearing			Active
1	9999.0	9999 CLEARING	Clearing			Active
1	9999.999999	TEMP FOR EXCHANGE FILE	Liability			Active
2	1130.1	CASH	Asset			Active
2	1180.0	A/R-CUSTOMER ACCOUNTS	Asset			Active
2	1180.1	A/R-UNAPPLIED CUSTOMER ACCOUNTS	Asset			Active
2	1180.11	MISC ADJ-CABLE TV	Asset			Active
2	1180.3	RETURNED CHECKS	Asset			Active
2	1181.2	OLD BALANCES RESTORED	Asset			Active
2	1181.4	A/R-ALLOWANCE FOR UNCOLLECTIBLES	Asset			Active
2	1191.0	A/R-DUE FROM PRTC	Asset			Active
2	1220.1	MATERIAL	Asset			Active
2	1220.11	INVENTORY CLEARING	Asset			Active
2	1220.2	MATERIAL-EXEMPT	Asset			Active
2	1221.2	INVENTORY FOR RESALE	Asset			Active
2	1310.1	PREPAID INSURANCE	Asset			Active
2	1310.2	PREPAID POLE RENTAL-PRTC	Asset			Active
2	1310.3	PREPAID ENGINEERING/STAKING	Asset			Active
2	1401.0	INVESTMENT IN EKN	Asset			Active
2	1439.0	DEFERRED CREDIT	Asset			Active
2	1439.1	Deferred Credit-Jackson Energy	Asset			Active
2	2003.1	PLANT UNDER CONSTRUCTION	Asset			Active
2	2005.0	PLANT ACQUISITION ADJUSTMENT	Asset			Active
2	2111.0	LAND	Asset			Active
2	2116.0	WORK EQUIPMENT	Asset			Active
2	2121.0	BUILDINGS	Asset			Active
2	2123.0	OFFICE EQUIPMENT	Asset			Active
2	2321.0	HEADEND BUILDING	Asset			Active
2	2323.0	HEADEND ELECTRONICS	Asset			Active
2	2324.0	HEADEND EQUIPMENT	Asset			Active

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Div	Account	Description	Type	Category	Group	Status
2	2364.0	TRUNK & DISTRIBUTION	Asset			Active
2	2366.0	SERVICE LINES	Asset			Active
2	2367.0	INSIDE WIRE	Asset			Active
2	2368.0	SUBSCRIBER DEVICES	Asset			Active
2	2368.1	SETTOP BOXES	Asset			Active
2	2368.2	DVR'S	Asset			Active
2	2411.0	POLE LINE	Asset			Active
2	2423.0	HEADEND EQUIPMENT	Asset			Active
2	2690.0	SUBSCRIBER LISTS PURCHASED	Asset			Active
2	2691.0	GOODWILL	Asset			Active
2	3100.2005	ACCUM AMORT-ACQ ADJUST	Asset			Active
2	3100.2111	ACCUM DEP-LAND	Asset			Active
2	3100.2116	ACCUM DEP-WORK EQUIP	Asset			Active
2	3100.2123	ACCUM DEP-OFFICE EQUIP	Liability			Active
2	3100.2321	ACCUM DEP-HEADEND BUILDING	Asset			Active
2	3100.2323	ACCUM DEP-HEADEND ELECTRONICS	Asset			Active
2	3100.2324	A/D Headend Equipment	Asset			Active
2	3100.2364	ACCUM DEP-TRUNK & DISTRIBUTION	Asset			Active
2	3100.2366	ACCUM DEP-SERVICE LINES	Asset			Active
2	3100.2367	ACCUM DEP-INSIDE WIRE	Asset			Active
2	3100.2368	ACCUM DEP-SUBSCRIBER DEVICES	Asset			Active
2	3100.23681	ACC DEP-SETTOP BOXES	Liability			Active
2	3100.23682	ACC DEP-DVR'S	Liability			Active
2	3100.2411	ACCUM DEP POLE LINE	Asset			Active
2	3100.269	ACCUM DEP-CUSTOMER LIST	Liability			Active
2	4010.0	OPEN PAYABLES	Liability			Active
2	4010.1	ACCOUNTS PAYABLE	Liability			Active
2	4010.22	EXCISE TAX	Liability			Active
2	4010.23	SALES TAX	Liability			Active
2	4010.24	FRANCHISE TAX	Liability			Active
2	4010.25	OWSLEY CO SCHOOL TAX	Liability			Active
2	4010.26	JACKSON COUNTY SCHOOL TAX	Liability			Active
2	4020.0	A/P-PRTC	Liability			Active
2	4030.0	ADVANCED BILLING	Liability			Active
2	4040.0	CUSTOMER DEPOSITS	Liability			Active
2	4080.1	ACCRUED PROPERTY TAX	Liability			Active

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Div	Account	Description	Type	Category	Group	Status
2	4120.1	ACCRUED INTEREST ON LONG-TERM DEBT	Liability			Active
2	4120.6	JOINT USE RENTAL	Liability			Active
2	4120.7	FIBER LEASE	Liability			Active
2	4210.0	LONG-TERM DEBT	Liability			Active
2	4540.0	CAPITAL STOCK	Liability			Active
2	4550.0	RETAINED EARNINGS	Liability			Active
2	5001.0	BASIC CABLE REVENUE	Income	Operating		Active
2	5001.1	EXPANDED BASIC REVENUE	Income	Operating		Active
2	5002.0	PREMIUM CHANNELS	Income	Operating		Active
2	5002.1	DIGITAL REVENUE	Income	Operating		Active
2	5003.0	EQUIPMENT RENTAL	Income	Operating		Active
2	5003.1	ADVERTISING REVENUE	Income	Operating		Active
2	5003.2	EQUIPMENT SALES	Income	Operating		Active
2	5003.3	ADVERTING REVENUE - DVD SALES	Income	Operating		Active
2	5004.1	LATE CHARGES	Income	Operating		Active
2	5004.2	SERVICE CHARGES	Income	Operating		Active
2	5004.3	RETRANSMISSION FEE	Income	Operating		Active
2	5005.0	TAPES	Income	Operating		Active
2	5006.0	MONITORING	Income	Operating		Active
2	5240.0	RENT REVENUE	Income	Operating		Active
2	5250.0	MISC MERCH	Income	Operating		Active
2	5251.0	MISC REVENUE	Income	Operating		Active
2	5300.1	UNCOLLECTIBLES	Income	Operating		Active
2	6000.0	COST OF EQUIP SOLD	Expense	Operating		Active
2	6116.0	WORK EQUIPMENT EXPENSE	Expense	Operating		Active
2	6121.0	LAND & BLDG	Expense	Operating		Active
2	6321.0	HEADEND BUILDING EXPENSE	Expense	Operating		Active
2	6323.0	HEADEND ELECTRONICS EXPENSE	Expense	Operating		Active
2	6362.1	JOINT-USE ATTACHMENTS	Expense	Operating		Active
2	6364.0	TRUNK & DISTRIBUTION EXPENSE	Expense	Operating		Active
2	6364.1	REPAIR - FTTH	Expense	Operating		Active
2	6366.0	SERVICE LINE EXPENSE	Expense	Operating		Active
2	6367.0	SUBSCRIBER DEVICES EXPENSE	Expense	Operating		Active
2	6368.0	REPAIR OF SUBSCRIBER DEVICES	Expense	Operating		Active
2	6411.0	POLE LINE EXPENSE	Expense	Operating		Active
2	6421.2	FIBER EXPENSE	Expense	Operating		Active

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Div	Account	Description	Type	Category	Group	Status
2	6531.0	POWER EXPENSE	Expense	Operating		Active
2	6534.0	PLANT OPERATIONS	Expense	Operating		Active
2	6561.0	DEPRECIATION EXPENSE	Expense	Operating		Active
2	6563.0	AMORTIZATION EXPENSE	Expense	Operating		Active
2	6568.0	PROGRAMMING EXPENSE-PAY CHANNELS	Expense	Operating		Active
2	6568.1	BASIC SERVICE PROGRAMMING EXPENSE	Expense	Operating		Active
2	6568.2	EXPANDED PROGRAMMING EXPENSE	Expense	Operating		Active
2	6568.3	PREMIUM CHANNEL PROGRAMMING EXPENSE	Expense	Operating		Active
2	6568.4	DIGITAL CHANNEL PROG EXPENSE	Expense	Operating		Active
2	6613.0	ADVERTISING EXPENSE	Expense	Operating		Active
2	6622.0	B & C -PRTC	Expense	Operating		Active
2	6623.0	CUSTOMER SERVICE EXPENSE	Expense	Operating		Active
2	6624.0	MARKETING SALARIES	Expense	Operating		Active
2	6627.0	INFOR SERVICES SALARIES	Expense	Operating		Active
2	6711.0	EXECUTIVE EXPENSE	Expense	Operating		Active
2	6712.0	STRATEGIC PLANNING	Expense	Operating		Active
2	6721.0	ACCOUNTING & FINANCE	Expense	Operating		Active
2	6723.0	HUMAN RESOURCES	Expense	Operating		Active
2	6725.0	ATTORNEY EXPENSE	Expense	Operating		Active
2	6726.0	INSURANCE EXPENSE	Expense	Operating		Active
2	6728.0	MISCELLANEOUS EXPENSES	Expense	Operating		Active
2	6728.1	MISCELLANEOUS-AUDIT	Expense	Operating		Active
2	6770.0	SPECIAL CHARGES	Expense	Operating		Active
2	7220.0	FEDERAL INCOME TAX	Income	Operating		Active
2	7230.0	STATE INCOME TAX	Income	Operating		Active
2	7240.0	PROPERTY TAXES	Income	Operating		Active
2	7250.0	TELECOM TAX	Income	Operating		Active
2	7310.0	Gain on Disposal	Income	Operating		Active
2	7320.0	INTEREST INCOME	Income	Operating		Active
2	7350.0	LOSS ON PROPERTY DISPOSAL	Income	Operating		Active
2	7360.0	INCOME FROM EKN	Income	Operating		Active
2	7510.0	INTEREST ON LONG-TERM DEBT	Income	Operating		Active
2	8520.0	COMMISSION REVENUE	Income	Operating		Active
2	9998.0	9998 Clearing	Clearing			Active
2	9998.1	9998.1 CLEARING	Clearing			Active
2	9998.2	Clearing	Clearing			Active

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Commonwealth of Kentucky

Department of State



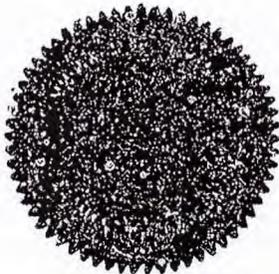
Office of Secretary of State
GEORGE GLENN HATCHER, SECRETARY

D-2021

CERTIFICATE FOR NON-STOCK CORPORATION

I, George Glenn Hatcher, Secretary of State, do hereby certify that the Articles of Incorporation in triplicate originals of PEOPLES RURAL TELEPHONE COOPERATIVE
CORPORATION, INC., McKee, Kentucky,

are found to be duly signed and acknowledged; that there appears to be no capital stock; no private pecuniary profit is to be derived therefrom; no organization tax is required by law; all fees and charges have been paid; that one original copy is filed and recorded in this office. It further appears that all requirements of law have been complied with and this certificate, with two original articles of incorporation indorsed with the fact and time of recording in this office, has been returned to the incorporators or their representative. Corporate existence shall begin upon the issuance of this certificate. Said certificate shall be conclusive evidence of the fact that the above named corporation has been incorporated and is now authorized and empowered to do business in Kentucky, subject to the restrictions imposed by Chapter 273, Kentucky Revised Statutes, and other laws.



Given under my official signature and seal

this the 6th day of December 19 50

George Glenn Hatcher

Secretary of State

By

S. J. Lyon

Deputy Corporation Department

12/6/50 Original process agent in H. W. Tinsley, McKee, Ky.

ARTICLES OF INCORPORATION

ARTICLES OF INCORPORATION OF LEOPLES RURAL TELEPHONE COOPERATIVE CORPORATION, INC.

We, the undersigned, being natural persons and citizens of the Commonwealth of Kentucky do hereby execute these articles of incorporation for the purpose of organizing a non-profit cooperative corporation (herein called the "Cooperative") under the laws of the Commonwealth of Kentucky, pursuant to an act entitled "AN ACT relating to telephons cooperative, non-profit corporations, rural telephones and telephone services", approved March 25, 1950.

FIRST, the name of the cooperative is Peoples Rural Telephone Cooperative Corporation, Inc.

SECOND, the address of the principal office of the Cooperative is McKee, Jackson County, Kentucky. H. W. Tussey, McKee, Ky., is the process agent.

THIRD, the names and addresses of the incorporators of the Cooperative are:

<u>Names</u>	<u>Addresses</u>
<u>H. W. Tussey</u>	<u>McKee, Kentucky</u>
<u>Bruce Hays</u>	<u>McKee, Kentucky</u>
<u>Alfred Oppenecr</u>	<u>Annville, Kentucky</u>
<u>Jesse J. Smith</u>	<u>Clover Bottom, Kentucky</u>
<u>D. W. Barrett</u>	<u>Booneville, Kentucky</u>
<u>Joe T. Morgan</u>	<u>Booneville, Kentucky</u>
<u>Fleas Turner</u>	<u>Booneville, Kentucky</u>

FOURTH, the names and addresses of the persons who shall constitute the first board of Trustees of the Cooperative are:

<u>Names</u>	<u>Addresses</u>
<u>H. W. Tussey</u>	<u>McKee, Kentucky</u>
<u>Bruce Hays</u>	<u>McKee, Kentucky</u>

<u>Alfred Oppeneer</u>	<u>Booneville, Kentucky</u>
<u>Jesse J. Smith</u>	<u>Glover Bottom, Kentucky</u>
<u>D. W. Barrett</u>	<u>Booneville, Kentucky</u>
<u>Joe T. Morgan</u>	<u>Booneville, Kentucky</u>
<u>Pleas Turner</u>	<u>Booneville, Kentucky</u>

FIFTH, The operations of the Cooperative are to be conducted in the Counties of Jackson and Owsley, and in such other counties as such operations may from time to time become necessary or desirable in the interest of this Cooperative or of its members.

IN TESTIMONY WHEREOF we have hereunto subscribed our names this 30 day of November, 1950.

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
Pleas Turner

STATE OF KENTUCKY
COUNTY OF JACKSON

I, [Signature], notary public in and for the County and State aforesaid, hereby certify that the foregoing Articles of Incorporation of the People Rural Telephone Cooperative Corporation, Inc., were this day produced to me by H. W. Tussey, Bruce Mays, Alfred Oppeneer, Jesse J. Smith, D. W. Barrett, Joe T. Morgan and Pleas Turner, and acknowledged and delivered by said parties to be their act and deed, and the act and deed of each of them.

This the 30 day of November, 1950.

[Signature]
Notary Public

My Commission expires 11/1/1953

40957 ✓

Commonwealth of Kentucky

OFFICE OF
SECRETARY OF STATE

FRANCES JONES MILLS
Secretary



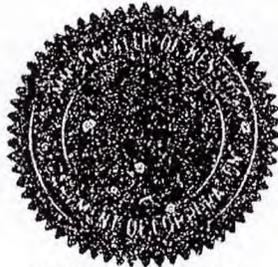
FRANKFORT,
KENTUCKY

CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION

I, **FRANCES JONES MILLS**, *Secretary of State of the Commonwealth of Kentucky*, do hereby certify that Amended Articles of Incorporation of

PEOPLES RURAL TELEPHONE COOPERATIVE CORPORATION, INC.

amended pursuant to Kentucky Revised Statutes, ~~XXXI~~, (273) duly signed and verified or acknowledged according to law, have been filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.



SECRETARY OF STATE

Given under my hand and seal of Office as Secretary of State, at Frankfort, Kentucky, this 22ND day of NOVEMBER, 19 83.

Frances Jones Mills
SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE

ORIGINAL COPY
FILED
SECRETARY OF STATE OF MISSISSIPPI
JACKSON, MISSISSIPPI

AMENDMENTS TO ARTICLES OF INCORPORATION OF PEOPLES ^{NOV 22 1983}
RURAL TELEPHONE COOPERATIVE CORPORATION, INCORPORATED

Pursuant to KRS 279.310 and all other applicable statutes, *of the*
Articles of Incorporation of Peoples Rural Telephone Cooperative *Sanford Jones*
Corporation, Inc. have been amended, pursuant to proper notice and *of the*
voted upon by the membership of the Cooperative at the annual *of the*
meeting of the members held on October 15, 1983, which said amend-
ments are as follows:

AMENDMENT 1:

322094

ARTICLE I SECTION 1 be and the same is hereby amended to read,
as follows:

SECTION 1. Requirements for Membership. Any person, firm, association, corporation, or body politic or subdivision thereof will become a member of Peoples Rural Telephone Cooperative Corporation, Incorporated (hereinafter called the "Cooperative") upon receipt of telephone or other communication services from the Cooperative, provided that he or it has first:

- (a) Made a written application for membership therein;
- (b) Agreed to purchase services from the Cooperative in accordance with established tariffs and as hereinafter specified;
- (c) Agreed to comply with and be bound by the articles of incorporation and bylaws of the Cooperative and any rules and regulations adopted by the board, and
- (d) Paid the membership fee hereinafter specified.

Each separate contract for membership shall be treated as a separate membership for voting and all other purposes, and any one person, married couple, firm, association, corporation, or body politic (or subdivision thereof) may have more than one membership in the corporation; provided, however, each membership shall be evidenced by a separate contract and membership fee, and separate extensions shall not operate to increase the number of memberships held by any one person or entity; and provided further that no member shall be entitled to cast a vote for any purpose unless he/she/they/it is or are a member in good standing.

*The word "board" is used herein to refer to the board of directors or board of trustees.

AMENDMENT II:

ARTICLE I SECTION 3 be and the same is hereby amended to read,
as follows:

SECTION 3. Joint Membership. A husband and wife may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this Article, may be accepted for such membership. The term "member" as used in these bylaws shall be deemed to include a husband and wife holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

- (a) The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
- (b) The vote of either separately or both jointly shall constitute one joint vote;
- (c) A waiver of notice signed by either or both shall constitute a joint waiver;
- (d) Notice to either shall constitute notice to both;
- (e) Expulsion of either shall terminate the joint membership;
- (f) Withdrawal of either shall terminate the joint membership;
- (g) Either but not both may be elected or appointed as an officer or board member, provided that both meet the qualifications for such office;
- (h) At least ten days prior to any election, the holders of a joint membership shall designate one of the joint members who shall, in the event of the split in the vote of the joint members, have the power to override the other and vote the joint membership as a block on behalf of the joint members. In the event of failure or refusal to so designate at said time, the vote of the membership shall not be counted in the event of a split in the voting of the joint members.

AMENDMENT III:

ARTICLE II: SECTION 4 be and the same is hereby amended to read,
as follows:

SECTION 4. Quorum. One hundred (100) members present in person, shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice. The minutes of each meeting shall contain a list of the members present in person.

AMENDMENT IV:

ARTICLE III SECTION 5 be and the same is hereby amended to read,
as follows:

SECTION 5. Voting. Each membership shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the memberships. All questions shall be decided by a vote of a majority of the memberships voting thereon in person except as otherwise provided by law, the articles of incorporation, or these bylaws. There shall be no voting by proxy at any membership meeting.

Any membership held by a firm, association, corporation or body politic (or subdivision thereof) shall designate, at least ten (10) days preceding an election, by a form which may be secured from the corporation headquarters, one agent who shall have the power to vote on behalf of said entity each of the memberships held by said entity.

AMENDMENT V:

ARTICLE IV SECTION 3 be and the same is hereby amended to read,
as follows:

Section 3. Qualifications. No person shall be eligible to become or remain a board member of the Cooperative who:

- (a) is not a member and bona fide resident of the area served or to be served by the Cooperative; or
- (b) is in any way employed by or financially interested in a competing enterprise or a business engaged in selling telephone service or supplies, or constructing or maintaining telephone facilities, other than a business operating on a cooperative non-benefit basis for the purpose of furthering rural telephones; or
- (c) is not a natural person.

AMENDMENT VI:

ARTICLE IV SECTION 4 be and the same is hereby amended to read,
as follows:

SECTION 4. Nominations. It shall be the duty of the board to appoint, not less than thirty days nor more than sixty days before the date of a meeting of the members at which board members are to be elected, a committee on nominations consisting of not less than five nor more than seven members who shall be selected from different sections so as to insure equitable representation. No member of the board may serve on such committee. The committee, keeping in mind the