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May 19, 2017

Dr. Talina Matthews Executive Director Kentucky Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, KY 40601

RE: An Inquiry into the State Universal Fund Case No. 2016-00059—Notice of Action by Federal Communications Commission

Dear Dr. Matthews:

In its March 10, 2017 Order, for which the Commission has granted rehearing, the Commission stated the minimum benchmark local service rate for rural carriers would be increasing to \$20 on July 1, 2017. The Commission criticized this FCC-ordered increase as "unreasonable" and as a basis to deprive wireless Lifeline users KUSF support while shifting it to landline Lifeline services.

At its May 18, 2017 Open Meeting the Federal Communications Commission adopted an Order that freezes the current benchmark rate at \$18. *Connect America Fund*, WC Docket No. 10-90, Notice of Proposed Rulemaking and Order, FCC 17-61, para. 14 (May 19, 2017). A copy of the FCC Order is filed with this letter, so the Commission may take notice of this change in law during the rehearing period.

An electronic version of this paper was uploaded to the Public Service Commission's Electronic Filing System on this day. Pursuant to 807 KAR 5:001 Section 8(5)(a), I certify the

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electronic version of the paper is a true and accurate copy of the paper medium. I further certify that I am the authorized agent for the entity listed above and possess the facilities to receive electronic transmissions.

Sincerely yours,

Douglas F. Brent

Counsel to Airvoice Wireless, American Broadband and Telecommunications Company, LLC, Budget Wireless, i-wireless LLC, Ready Wireless, SI Wireless, LLC and Telrite Corporation

DFB Enclosures