

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

In the Matter of:

AN INQUIRY INTO THE STATE)	CASE NO.
UNIVERSAL SERVICE FUND)	2016-00059

INITIAL COMMENTS OF THE RLECS

Ballard Rural Telephone Cooperative Corporation, Inc., Brandenburg Telephone Company, Inc., Duo County Telephone Cooperative Corporation, Inc., Foothills Rural Telephone Cooperative Corporation, Inc., Gearheart Communications Company, Inc., Highland Telephone Cooperative, Inc., Logan Telephone Cooperative, Inc., Mountain Rural Telephone Cooperative Corporation, Inc., North Central Telephone Cooperative Corporation, Peoples Rural Telephone Cooperative Corporation, Inc., South Central Rural Telephone Cooperative Corporation, Inc., Thacker-Grigsby Telephone Company, Inc., and West Kentucky Rural Telephone Cooperative Corporation (collectively, the “RLECs”), by counsel, and pursuant to the February 1, 2016 order of the Public Service Commission of the Commonwealth of Kentucky (the “Commission”), hereby submit their initial comments on the issue of temporarily raising the Kentucky Universal Service Fund (“KUSF”) per line monthly surcharge from \$.08 to \$.14, or decreasing the KUSF support from \$3.50 to approximately \$2.00 per line, during the pendency of this proceeding.

The RLECs believe it is likely that a \$.06 increase in the current per-month surcharge will impose a lesser burden than a \$1.50 decrease in monthly support per Lifeline customer. However, the RLECs reserve the right to provide testimony and comments as discovery is conducted and this matter proceeds.

Respectfully submitted,

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