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TR.A. DOONET ROOM

December 17, 2013

James Allison, Chairman c/o Sharla Dillon, Dockets and Records Manager Tennessee Regulatory Authority 500 Deaderick Street Nashville, TN 37242

13-00/55

Re:

Application of TDS Telecom - Tellico Telephone Company to Enter Price

Regulation

Dear Chairman Allison:

Enclosed are an original and four (4) copies of the Application of TDS Telecom - Tellico Telephone Company to enter price regulation.

Please contact me if you have any questions.

Respectfully submitted,

Bruce H. Mottern

Manager - State Government Affairs

enclosures

cc:

David Foster, Chief, Utilities Division - Tennessee Regulatory Authority (via e-mail)

Sharla Dillon, Dockets Manager - Tennessee Regulatory Authority

Norman Kennard, Esquire

BEFORE THE TENNESSEE REGULATORY AUTHORITY

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Application of TDS Telecom- Tellico Telephone Compa	any
For Approval to Enter Price Regulation	Docket No.:

APPLICATION

Pursuant to TCA § 65-5-109, TDS Telecom – Tellico Telephone Company ("Tellico") hereby applies to the Tennessee Regulatory Authority ("Authority") for approval to enter price regulation. In support of this Application, Tellico states as follows:

- 1. Tellico elects to adopt price regulation as the form of regulation applicable to it effective upon approval by the Authority.
- 2. Tellico's initial tariff rates under price regulation will be the same as those currently in place today for all basic local exchange telephone services and non-basic services as defined in TCA § 65-5-108. These rates were in effect as of January 1, 2009 and increased pursuant to the Uniform Access Reduction Act" (TCA 65-5-301, et seq.).
- 3. Tellico's level of tariffed rate for residential basic local exchange telephone service were increased from their January 1, 2009 level effective on April 1, 2012 pursuant to the "Uniform Access Reduction Act" (TCA 65-5-301, et seq.) in a revenue neutral fashion at the same time as intrastate switched access reductions were implemented and, therefore, are deemed affordable in accordance with TCA 65-5-109(c) and (s).
- 4. Tellico's tariffed rate for business basic local exchange telephone service were increased from their January 1, 2009 level effective on April 1, 2012 pursuant to the

- "Uniform Access Reduction Act" (TCA 65-5-301, et seq.) in a revenue neutral fashion at the same time as intrastate switched access reductions were implemented and, therefore, are deemed affordable in accordance with TCA 65-5-109(c) and (s).
- 5. As a price regulated company, Tellico will maintain affordable basic and non-basic rates in accordance with TCA §§ 65-5-109(e) and 67-6-222(c).
- 6. Tellico will comply with the rate cap for initial basic local exchange telephone service set forth in TCA § 65-5-109(f) applicable to price regulated companies.
- 7. Tellico will comply with the maximum rates for interconnection services set forth in TCA § 65-5-109(g).
- 8. Tellico respectfully submits that continued commitment to the FYI Tennessee master plan as described in TCA § 65-5-109(k) is no longer applicable because Tellico has completed funded requirements.
- 9. Upon receiving approval to operate pursuant to price regulation, Tellico will comply with all statutes, rules and regulations applicable to price regulated companies.

CONCLUSION

WHEREFORE, for the reasons stated above, Tellico respectfully requests that the Authority issue an order approving this Application in accordance with TCA § 65-5-109(c).

Respectfully submitted,

TDS Telecom – Tellico Telephone Company

Bruce Mottern

Manager - State Government Affairs

TDS Telecom

10025 Investment Dr.

Knoxville, TN

Date: December 17, 2013