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January 10, 2018

والمحاصل وفيأوان والموا

Via Hand-Delivery

Chairman David Jones c/o Sharla Dillon, Dockets and Records Manager Tennessee Public Utility Commission 502 Deaderick Street, Fourth Floor Nashville, Tennessee 37243

In re: Application of United Telephone Company for Approval to Enter Price

Regulation

Docket No. 18-0001

Dear Chairman Jones:

Enclosed please find an original and five (5) copies of United Telephone Company's Application for Approval to Enter Price Regulation. Also enclosed is a check in the amount of Twenty-five Dollars (\$25.00) to cover the filing fee. This Application is being filed electronically with TPUC's Docket Manager, Sharla Dillon.

Please file the original and four (4) copies of this material and stamp the additional copy as "filed". Then please return the stamped copy to me by way of our courier.

Should you have any questions concerning this matter, please do not hesitate to contact me at the email address or telephone number listed above.

With kindest regards, I remain

Very truly yours,

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R. Dale Grimes

Enclosures

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BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

APPLICATION OF UNITED TELEPHONE COMPANY, FOR APPROVAL TO ENTER PRICE REGULATION

Docket No.	
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APPLICATION

Pursuant to T.C.A. § 65-5-109, United Telephone Company ("United") hereby applies to the Tennessee Public Utility Commission ("TPUC") for approval to enter price regulation. In support of this Application, United states as follows:

- 1. United elects to adopt price regulation as the form of regulation applicable to it, effective upon approval by the TPUC.
- 2. United's initial tariffs 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 T.C.A. § 65-5-108. These rates were in effect as of January 1, 2009 and increased pursuant to the "Uniform Access Reduction Act" (T.C.A. 65-5-301, et seq.) and applicable Federal regulations to meet urban rate floor obligations.
- 3. United's level of tariffed rates 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" (T.C.A. 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 T.C.A. 65-5-109(c) and (s).
- 4. United's tariffed rates 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" (T.C.A. 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 T.C.A. 65-5-109(c) and (s).

- 5. United further increased its residential basic local telephone exchange service and business basic local exchange telephone service in order to comply with the urban rate floor established by the Federal Communications Commission in its USF/ICC Transformation Order, released November 18, 2011.
- 6. As a price regulated company, United will maintain affordable basic and non-basic rates in accordance with T.C.A. §§ 65-5-109(e) and 67-6-222(c).
- 7. United will comply with the rate cap for initial basic local exchange telephone service set forth in T.C.A. § 65-5-109(f) applicable to price regulated companies.
- 8. United will comply with the maximum rates for interconnection services set forth in T.C.A. § 65-5-109(g).
- 9. United respectfully submits that continued commitment to the FYI Tennessee master plan as described in T.C.A. § 65-5-109(k) is no longer applicable because United has completed funded requirements.
- 10. Upon receiving approval to operate pursuant to price regulation, United will comply with all statutes, rules and regulations applicable to price regulated companies.

CONCLUSION

WHEREFORE, for the reasons stated above, United respectfully requests that the TPUC issue an order approving this Application in accordance with T.C.A. § 65-5-109(c).

Respectfully submitted,

R. Dale Grimes (TN Bar No.: 6223)

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Date: January 10, 2018

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