

## ~SAVE RURAL BROADBAND~

### **What's Going On?**

The FCC (Federal Communications Commission) has proposed radical policy change and reform regarding Universal Service Funds that could deprive millions of individuals, businesses and governments of broadband access. These changes could significantly hurt the quality and price of rural broadband services offered by local telecommunications providers.

### **What is the Universal Service Fund (USF)?**

This fund is maintained by all telephone companies providing certain interstate communications service. The Universal Service Charge on your bill each month is a mandatory surcharge to support universal telephone service. This fund assists with the cost of providing affordable telecommunication services to residents in rural high-cost areas – *just like ours*.

### **Why would the proposed reform concern me?**

If the FCC's proposed reform passes, it will require many rural telecom companies and cooperatives to charge unaffordable rates in order to cover costs, or cut spending on broadband deployment and network maintenance.

### **I don't have DSL, should I be concerned?**

The proposed reform would trickle down to our landline-only subscribers too. The USF assistance that we receive currently helps keep our monthly landline service, as well as DSL service, at affordable rates. If this reform passes, the USF assistance will be geared toward broadband, and the high cost rural areas will not be focused on. This means **ALL** subscribers, both telephone and broadband, would feel the effects.

### **Why should rural providers receive more funding from the USF than the bigger companies?**

Broadband deployment in areas like ours, sparsely populated areas where homes, businesses and towns can be miles apart, costs more money with less return than urban areas. We want to continue the progress we've made so far and keep moving forward to improve our broadband infrastructure and services.

### **If DSL Broadband is so expensive, why not go all wireless?**

Even with wireless services, it is necessary to have a wireline network to connect cell towers back to the network. Therefore, the greater the wireless data demands are, the more towers – and thus more wires – are needed to handle all of that traffic.

Small rural telecommunications companies and cooperatives, like ours, have shown substantial commitments to operating in the hardest-to-serve parts of rural America, and they have made significant investments in deploying and upgrading broadband services in low-density, high cost rural areas. In fact, one of the reasons our co-op exists is because larger companies chose not to service our rural area.

"The future of rural broadband hangs in the balance, and we can't afford to be silent on the issue" says Shirley Bloomfield, CEO of NTCA (National Telecommunications Cooperative Association).

For more information, visit [www.saveruralbroadband.org](http://www.saveruralbroadband.org). Also, please visit our website to print or email a letter to your Senators, Representative and the Obama administration. If you do not have internet access, please call or stop by our office for copies.

**\*\*See back side of newsletter for more information on this topic from our General Manager.\*\***

**Kevin Pyle**  
*Executive Vice President &  
General Manager*

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#### **WELCOME NEW MEMBERS:**

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757-2561

**Roger Mifflin**  
728-4520

**Lawrence Unfried**  
756-2323

### **ATTENTION ALL VIDEO CUSTOMERS**

*The new FOX station on your video service is KTVI Fox out of St. Louis. This station will broadcast on Channel 115.*



## From the Manager's Desk:



I write today of great concern and I feel that it is my duty to inform you of some of the issues that are on the horizon and approaching rapidly.

Rural companies have invested heavily in fiber networks, and your co-op is no exception as it is in the process of continuing to install more fiber in our network. Fiber that is needed to provide the next generation of services, services that you request and rightly deserve.

The nation's network is comprised of many large urban and rural networks joined in such a way that it appears to make the network seamless. Although today, there are some issues caused by reduced usage of the landline which causes Long Distance companies to look for cheaper, not so reliable ways to send their traffic. The network as a whole is stable and used for many other things besides traditional telephone. It supports broadband and mobile technologies...yes, even cell phones rely on the landlines for its ability to operate.

However, we sit at the threshold of change... change never seen before in the telephone industry...as the FCC moves to reform universal service fund (USF) and inter-carrier compensation (ICC). The USF and ICC are two methods that make it possible for you to communicate by voice or broadband to others in the world at an affordable rate. If the FCC gets its way, they could jeopardize the networks as we know them today and could force a lot of small exchange carriers out of business. Although we realize that reform is necessary, we are asking that care and due diligence be exercised to preserve the support system of today as it is transformed into support for technologies of tomorrow.

With our nation's troubles and the debt ceiling in question it may seem small in comparison, but you should know that just recently Congress made it known that it also wishes to take *one billion dollars* out of the USF to pay on the national debt.

You should know that USF is not a tax. USF is used solely to support rural telephone companies that provide voice and DSL services. Our cost to install and maintain a network is much larger than the bigger companies. While we average approximately 2 subscribers per mile, the bigger companies have hundreds, sometimes even thousands per mile.

Your co-op was formed because no big company wanted to serve the rural community of Hamilton County. I ask that you take a minute of your time to join in the issues for the rural community. Contact your Senator or Representative and let them know how you feel about the rural community. Visit the website [www.saveruralbroadband.org](http://www.saveruralbroadband.org) to be informed of the issues and to send a letter of support.

This co-op has supported this community since 1957 and asks your support to continue providing the next generation of services.

If you have any questions please call our office at 736-2211.

Sincerely,

Kevin Pyle  
General Manager

*Hamilton County Telephone Co-op would like to thank this summer's interns* (pictured below). Both interns attend Lincoln Trail College in Robinson, Illinois and specialize in Telecommunications. The summer internship program is from May - August, and we have been fortunate enough to have at least one intern the past several summers, sometimes a student from our own telephone exchanges.

Kane Smith, from our 773 exchange, joined us this year for his second summer. Kane graduated from Lincoln Trail College in May with an Associates Degree in Applied Science, specializing in Telecommunications.

Josh Stremme, from Calhoun, joined us for the first time this year.



From L to R: Kane Smith & Josh Stremme



*Congratulations to  
July's Contest Winner:*

Mary Karcher - Dale Exchange

*\*Next contest...September 2011*

*Life is what happens to you while you're busy making other plans.*

Check us out on the web at: [www.hamiltoncom.net](http://www.hamiltoncom.net)