July 29, 2015

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Emery Telcom Petition for Limited Waiver of 47 C.F.R. § 51.917(c)(ii)

Dear Ms. Dortch:

On October 26, 2012, Emery Telcom (Emery) filed the waiver referenced above seeking inclusion of certain revenue in its Base Period Revenue calculation. This waiver evidenced good cause, public interest, and facts regarding the request including the nature and detail of the Carrier Access Billing (CABs) correction for three carriers (two of which) form the basis for the waiver request. The billing correction related to a subset of unbilled intrastate direct trunk overflow minutes without carrier identification information in the associated call detail records. Emery further established the need for the waiver, and the inaccuracy and harm created by not matching Emery’s Base Period Revenue with Emery’s correct actual collected revenue and actual billing and collection on a go forward basis.

On December 21, 2012 reply comments were submitted to the FCC, regarding the above referenced waiver, noting the fact that no opposition comments had been filed. The comments also provided additional discussion of the unique nature of the waiver request, the incorrect base revenue calculation, and permanent damage that failure to grant the waiver would cause. Lastly the reply comment submission asked for expeditious consideration of the waiver.

On May 14, 2013 Emery submitted an ex parte filing restating and asking the FCC to address the referenced waiver as well as quantifying the base revenue impact associated with the waiver.

Now, nearly three years after originally petitioning the FCC, Emery again requests that the FCC please address the Emery waiver. Emery has been unable to recover lost revenue because of the inaccurate and low establishment of the base period revenue...
amount. Had the waiver been granted, all actual shortfalls through June 2014, and anticipated through June 2015, could have been recovered through ARC charges with no effect on the CAF/ICC funding. However, because of the inaccurate and low base period revenue amount established, Emery did not have the authority to bill ARC and this revenue has been lost from the company. Due to the waiver delay combined with reform dictated reductions in terminating switched access rates, loss of significant reciprocal compensation revenue, and continued downward pressure from land line loss, Emery experienced combined losses in 2014 in the three companies operating in the effected 502278 cost study area (Emery Telcom, Carbon/Emery Telcom, Inc; and Hanksville Telcom, Inc.). Emery's ability to continue to operate and invest is now adversely impacted due to the effects of CAF/ICC reform coupled with the artificially low BPR calculation for which it is seeking waiver.

The revenue/minutes which Emery is seeking to include in the waiver were:

- Intrastate Switched access minutes terminated by Emery in the base period
- Billed before the end of 2011
- 100% collected with only minimal delay caused by the internal review process by two of the three effected carriers (the other carrier paid before the deadline)
- Not disputed by the three affected carriers and have been subsequently and continuously billed and collected on a monthly basis.

Grant of the waiver permits Emery to maintain the appropriate level of funding, and properly matches the Base Period Revenue to its actual 2011 revenue and revenue generating reality going forward.

Emery is asking the FCC to grant this waiver thus allowing Emery the ability to maintain appropriate and accurate revenue levels and allow it (like other ILEC’s) to begin to bill the ARC and potentially receive CAF/ICC support. This will allow Emery’s revenue to be consistent with access demand going forward and at levels consistent with the FCC’s stated reform objectives providing proper levels of continued investment and maintenance.

I would be happy to discuss company specific details regarding this waiver as well as our TRP data and CAFF/ICC effects with FCC staff. Please call me at the number below with any questions.

Regards

Darren L Woolsey
Chief Financial Officer - Emery Telcom
435-636-0090
435-749-0122 (cell)