

CUSTOMER NOTICE

Guadalupe Valley Telephone Cooperative, Inc. (GVTC) has filed an application with the Public Utility Commission of Texas (PUC) seeking approval to modify rates in all the Cooperative's exchanges. GVTC proposes to: (1) include residential touch tone service and expanded local calling service where applicable, into the Residential Basic Local Service rates; (2) increase Residential Basic Local Service rates in all of its exchanges; (3) increase certain Residential Extended Area Service and Residential Local Service Package with Calling Features, (4) increase certain Non-Recurring Charges; (5) increase the credit provided to residential Lifeline customers; and (6) make additional changes to other rates and services. GVTC's application has been assigned Project No. XXXXXX

The proposed local rate modifications apply to residential customers in the GVTC exchanges listed below. All other proposed rate modifications apply to residential and business customers of GVTC. The proposed effective date for the new rates is June 1, 2014. The estimated intrastate gross annual revenue impact to GVTC is an increase of \$321,428.

The proposed Residential Basic Local Service rates are as follows:

Monthly Recurring Charges	Current Rates			Proposed Rates				Change	
	Local Service	Touch Tone Service	ELCS	Combined Charge	Local Service	Touch Tone Service	ELCS		Combined Charge
Residential Basic Local Service									
Leesville	\$ 11.25	\$ 1.25	\$ 3.50	\$ 16.00	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.40
Rocky Creek	\$ 11.25	\$ 1.25	\$ 3.50	\$ 16.00	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.40
Waelder	\$ 11.25	\$ 1.25	\$ 3.50	\$ 16.00	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.40
Westhoff	\$ 11.25	\$ 1.25	\$ 3.50	\$ 16.00	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.40
Balcones	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65
Bulverde	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65
Cost	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65
Cranes Mill	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65
Hancock	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65
Kenberg	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65
Kingsbury	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65
Sabina	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65
Sattler	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65
Saturn	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65
Smithson Valley	\$ 14.50	\$ 1.25	\$ -	\$ 15.75	\$ 17.40	\$ -	\$ -	\$ 17.40	\$ 1.65

CUSTOMER NOTICE - Continued, Page 2

The proposed rates for Residential EAS and Residential Local Service Package with Calling Features are as follows:

Monthly Recurring Charges	Current Rates				Proposed Rates				Combined Charge	Change
	Local Service	Touch Tone Service	ELCS	Combined Charge	Local Service	Touch Tone Service	ELCS	Combined Charge		
Residential Extended Area Service (EAS)										
One-Way EAS to New Braunfels	\$ 18.70	\$ 1.25		\$ 19.95	\$ 22.20	\$ -	\$ -	\$ 22.20	\$	2.25
Two-Way EAS to New Braunfels	\$ 23.30	\$ 1.25		\$ 24.55	\$ 25.30	\$ -	\$ -	\$ 25.30	\$	0.75
Residential Local Service Package with Calling Features										
Choice Basic Package	\$ 18.80	\$ -		\$ 18.80	\$ 20.80	\$ -	\$ -	\$ 20.80	\$	2.00

The proposed Lifeline credit is as follows:

Lifeline Program Credits	Current Credits			Proposed Credits			Total Proposed Credits		Change
	Federal	State	Total	Federal	State	Area	Total		
	\$ 9.25	\$ 3.50	\$ 12.75	\$ 9.25	\$ 3.50	\$ 0.40	\$ 13.15	\$	0.40

The proposed Non-Recurring Charges are as follows:

Non-Recurring Charges	Current Rates		Proposed Rates		Change	
	Residential	Business	Residential	Business	Residential	Business
	Service Call Charge	\$60.00	\$60.00	\$85.00	\$115.00	\$25.00
Service Activation Charge	\$30.00	\$30.00	\$35.00	\$35.00	\$5.00	\$5.00
Feature Change Charge	\$5.00	\$5.00	\$8.00	\$8.00	\$3.00	\$3.00
Account Change Charge	\$8.00	\$8.00	\$12.00	\$12.00	\$4.00	\$4.00

CUSTOMER NOTICE - Continued, Page 3

The proposed Optional Feature Charges are as follows:

Optional Feature Charges	Current Rates		Proposed Rates		Change	
	Residential	Business	Residential	Business	Residential	Business
Each block of 10 DID numbers - monthly	\$0.00	\$0.00	\$10.00	\$10.00	\$10.00	\$10.00
Each block of 100 DID numbers - monthly	\$0.00	\$0.00	\$100.00	\$100.00	\$100.00	\$100.00
Each additional block of 100 DID numbers - monthly	\$0.00	\$0.00	\$30.00	\$30.00	\$30.00	\$30.00
Installation of DID blocks - nonrecurring	\$0.00	\$0.00	\$25.00	\$25.00	\$25.00	\$25.00

GVTC has filed to grandfather the existing rates and terms for DID number blocks that are currently offered in blocks of 25 numbers. As of June 1, 2014, all existing customers will remain on the service as currently provisioned and at their existing rate structure until such time as they disconnect service or make changes to their existing service.

As of June 1, 2014, GVTC will grandfather the following services to existing customers and they will no longer be available to new subscribers requesting the service: (1) Vacation Service which is a temporary suspension of telephone service for one month or more at the request of the customer, as GVTC offers Number Reservation service, and (2) Calling Feature Packages: Residence Packages A, B, C and Business Packages B1, C1 which enable residential and business customers to subscribe to a pre-determined package of optional features for less than the amount paid if the services were purchased individually, as other packages are available.

Persons who wish to comment on these proceedings should notify the PUC by mail at P.O. Box 13326, Austin, TX 78711-3326 or may call the PUC at 1-888-788-8477 or 512-936-7120. Hearing and speech impaired individuals with text telephones (TTY) may contact the PUC at 512-936-7136.

If the Commission receives protests regarding this proposal from 5% of the affected local service customers to which this proposal applies by May 25, 2014, the application will be docketed. The 5% limitation will be calculated based upon the total number of customers of record as of the calendar month preceding the Commission's receipt of the protests. As of February 1, 2014, the 5% limitation equated to 1,533 customers.

LOCAL EXCHANGE SERVICE**II. APPLICATION OF RATES (Continued)**

C. Lifeline Program (Continued)

3. Credits and Deposits (Continued)

b. The deposit standards used for all applicants who apply for service with the Cooperative will also be used for applicants who apply for Lifeline Service with the exception that deposit requirements will be waived for Lifeline Service applicants who voluntarily elect to subscribe to Toll Restriction Service.

g. Lifeline Service Discounts

i. Eligible consumers who subscribe to Lifeline Services will receive the following discounts:

a. Federal Lifeline support amount. The Cooperative shall grant qualifying low-income consumers support of \$9.25 per month or equal to the amount as directed by the Federal Communications Commission in Chapter 47 of the Code of Federal Regulations §54.402 regarding Lifeline support.

b. Additional state reduction. The Cooperative shall give qualifying low-income consumers a state-approved reduction of up to \$3.50 per month or equal to the amount of intrastate charges due as directed by the P.U.C. in Subst. R. 26.412.

c. Area discount. The Cooperative shall give qualifying low-income consumers an area discount of an additional \$0.40. The discount shall be consistent with P.U.C. Subst. R. 26.404 and the Rural Incumbent Local Exchange Company Universal Service Plan (SRILEC USP).

h. Service Charges

i. Service charges do not apply when eligible customers with existing residential service convert to Lifeline Service.

LOCAL EXCHANGE SERVICE

II. APPLICATION OF RATES (Continued)

C. Extended Area Service/Extended Metro Service (EAS/EMS)
(Continued)

6. For New Braunfels EAS customers, only one EAS option may apply to a Key System Trunk, PBX Trunk, or Rotary Telephone Service.

7. Existing customers who choose to subscribe to Two-Way EAS/EMS service will be required to change their local telephone number.

4. Expanded Local Calling (ELCS)

g. Expanded Local Calling Service (ELCS) is an arrangement whereby communities expand their basic local calling scope to include single or multiple exchanges. Expanded Local Calling Service is a non-optional, two-way local calling service.

h. Monthly rate charges for Expanded Local Calling Service (ELCS) will apply to all residential and business customers of the exchanges listed in Paragraph 4. These rates are included in the residential local exchange rates found in Section 1, III.A and in addition to the business rates found in III.B of this tariff.

i. Mandatory ELCS is provided on all Pay Telephone Access Service access lines. However, mandatory ELCS rate additives are not applicable to Pay Telephone Access Service access lines.

j. Rate Schedule - Exchanges

<u>Exchange</u>	<u>ELCS Service</u> <u>To</u>	<u>Per Access Line</u> <u>Monthly Rate</u>		
Waelder	Flatonina, Moulton & Gonzales	Business	7.00	D
Leesville	Nixon & Seguin	Business	7.00	D
Rocky Creek	Bastrop & Saturn	Business	7.00	D
Westhoff	Cuero, Gonzales Nixon & Smiley	Business	7.00	D

LOCAL EXCHANGE SERVICE

III. SCHEDULE OF RATES AND CHARGES

A. Residence Monthly Local Exchange Access Line Rates

<u>EXCHANGE</u>	<u>1-PARTY LINE (1)</u>		<u>PARTY LINE (1)</u>
BALCONES (2)	\$17.40	I	\$5.50
San Antonio 1-W EMS	26.30		- -
San Antonio 2-W EMS	28.30		- -
BULVERDE (2)	17.40	I	5.00
San Antonio 1-W EMS	26.30		- -
San Antonio 2-W EMS	28.30		- -
COST (3)	17.40	I	5.50
CRANES MILL (3) (2)	17.40	I	5.00
New Braunfels			
One-Way EAS (5)	22.20	I	- -
New Braunfels			
Two-Way EAS (5)	25.30	I	- -
1-W San Antonio EMS, New Braunfels EAS And Bulverde	26.30		- -
2-W San Antonio EMS, New Braunfels EAS And Bulverde	28.30		- -
HANCOCK (3) (2)	17.40	I	5.00
New Braunfels			
One-Way EAS (5)	22.20	I	- -
New Braunfels			
Two-Way EAS (5)	25.30	I	- -
1-W San Antonio EMS, New Braunfels EAS And Bulverde	26.30		- -
2-W San Antonio EMS, New Braunfels EAS And Bulverde	28.30		- -
KENBERG (2)	17.40	I	5.50
San Antonio 1-W EMS	26.30		- -
San Antonio 2-W EMS	28.30		- -
KINGSBURY (3)	17.40	I	- -

LOCAL EXCHANGE SERVICE

III. SCHEDULE OF RATES AND CHARGES (Continued)

A. Residence Monthly Local Exchange Access Line Rates
(Continued)

<u>EXCHANGE</u>	1-PARTY LINE <u>(1)</u>	PARTY LINE <u>(1)</u>
WAELDER (3)	17.40 I	4.60

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NOTES:

(1) Rates for access line service do not include a charge for an instrument or other customer premises equipment.

(2) One-party customers in this exchange have the option of subscribing to San Antonio EMS.

SERVICE CHARGES

IV. SCHEDULE OF CHARGES (1) (2) (3)

	<u>Rate</u>	
A. Service Activation Charge	\$35.00	I
B. Feature Change Charge	\$ 8.00	
C. Account Change Charge	\$12.00	

Notes: (1) The Cooperative offers to perform repair and maintenance work only during normal working hours from 8:00 a.m. to 4:30 p.m., Monday through Friday. All repair and maintenance work performed at other than during normal hours at the customer's request shall be provided at the sole discretion of the Telephone Cooperative.

(2) Where the service requested requires more than one of the multi-element charges described in this tariff, the total charges described in this tariff, the total charge is the sum of the separate charges required for each function except as otherwise provided.

(3) Service charges may be required to be paid at the time of application for service.

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SERVICE CHARGES

V. TERMINATION CHARGE

When a customer cancels an order for service prior to the establishment of service, a termination charge may be applicable. The termination charge shall equal the costs incurred by the Cooperative in designing, engineering, ordering and providing the service less disposal value.

VI. SERVICE CALL CHARGE

In those instances where service difficulty or trouble results from customer-provided or maintained inside wire, jacks and/or equipment which are not in accordance with the technical standards for such inside wire and jacks, the customer is responsible for the payment of a service call charge.

	<u>Res</u>	<u>Bus</u>	
Service Call Charge	\$85.00	\$115.00	I N

VII. RETURNED CHECK CHARGE

A charge will be made for returned check or moneys not honored by a bank or depository.

Returned Check Charge	\$20.00
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VIII. LATE PAYMENT FEE

A Late Payment Fee of \$5.00 will be applicable on all residential and business bills if charges greater than \$30.00 are left unpaid after the bill date.

This Late Payment Fee shall not be assessed to amounts owed by any State agency.

MISCELLANEOUS SERVICES

V. TONE DIALING SERVICE (Continued)

B. Rates and Charges (Continued)

	<u>Monthly Rate per</u> <u>Access Line</u>	
Tone dialing access is required		
For each residential central office		
Line, Trunk, channel or network		
Access line used to provide		
Tone dialing	(1) (2)	C

(1) As of February 1, 2014, rates for Business 1-Party, Key System Trunk and PBX Trunk for Business Monthly Exchange Access Lines as described in Section 1, III.B. of this tariff are inclusive of Tone Dialing Service.

(2) As of June 1, 2014, rates for Residential 1-Party Monthly Exchange Access Lines as described in Section 1, III.A of this tariff are inclusive of Tone Dialing Service.

MISCELLANEOUS SERVICES

IX. VACATION SERVICE

Vacation service is the suspension of telephone service for one month or more at the request of a customer. Only one period of suspension, not to exceed six months, is permitted in any calendar year.

- A. Vacation service may begin and terminate on any day of the month provided sufficient advance notice is given. A charge will be made for restoration of service.
- B. The charge for vacation service is equal to 50 percent of the applicable local exchange access line rate, including the applicable rate for directory listings, starting on the date on which service is suspended.
- C. Bills are rendered at regular billing dates during the period of suspension. Payment for local service equal to the anticipated suspension period may be made in advance. No allowance shall be made if service is suspended for less than one month.
- D. As of June 1, 2014, Vacation Service will be grandfathered and will no longer be offered to new customers requesting the service. All existing customers on the Vacation service as of June 1, 2014, will remain on the service until such time as they discontinue such service.

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X. ROTARY TELEPHONE SERVICE

Rotary telephone service is a central office service arrangement which enables a subscriber having two or more lines to have an incoming call to a busy line automatically transferred to a line which is not busy. Rotary telephone service is available to all customers, whether they have Local Exchange Access Service, Extended Area Service, or Extended Metro Service. The mixing of EAS/EMS and non-EAS/EMS lines within a service arrangement such as Multi-Line Hunting or PBX trunk is allowed only as long as the local lines hunt to EAS/EMS lines. Furnished where available.

Monthly Rate for Each Line \$2.50

For applicable installation charge, see Section 2, Service Charges.

MISCELLANEOUS SERVICES

XII. DIRECT INWARD DIALING (DID) SERVICE (Continued)

A. General (Continued)

9. DID number blocks are normally provided in blocks of consecutive numbers however, the blocks may be provided on a nonconsecutive basis if this is within the normal limitations of the serving office. TN

10. The Telephone Cooperative retains its rights to the telephone numbers used in DID service as provided in Section 7 of this Tariff.

11. The rates for DID Number Blocks are in addition to the applicable local calling rates and applicable EAS rates specified in Section 1 of this Tariff.

B. Rates

	<u>Monthly</u> Rate	<u>Installation</u> Charge (1)	
Direct Inward Dialing Service to Customer-Premises Switching Systems:			
Each block of 25 DID Numbers assigned up to 100 in total	\$ 36.25 (4)	\$ 25.00 (4)	C
Each additional block Of 25 DID Numbers Assigned over the first 100	\$ 16.25 (4)	\$ 25.00 (4)	C
Trunk Termination, each	(2)	(3)	
Each block of 10 DID numbers	\$ 10.00	\$ 25.00	N
Each block of 100 DID numbers	\$100.00	\$ 25.00	
Each additional block of 100 DID numbers	\$ 30.00	\$ 25.00	

MISCELLANEOUS SERVICES

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XII. DIRECT INWARD DIALING (DID) SERVICE (Continued)

B. Rates (Continued)

(1) Applicable in each instance a service order is received to install or change one or more groups of DID numbers.

(2) Applicable PBX Trunk charges as provided in Section 1 of this tariff.

(3) Applicable Service Charges as provided in Section 2 of this tariff.

(4) As of June 1, 2014, DID Numbers will no longer be sold or provisioned in blocks of (25) numbers. All existing customers as of June 1, 2014, will remain on the service as currently provisioned and at their existing rate structure until such time as they disconnect service or make changes to existing service.

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MISCELLANEOUS SERVICES

XXVII. CALLING FEATURE PACKAGES

A. General

1. These packages enable residence and business customers as noted to subscribe to a pre-determined package of services for less than the amount paid if the services were purchased individually.
2. Any of these services can still be purchased on an individual basis under the terms and conditions specified in the appropriate tariff sections.
3. These packages are subject to the availability and limitations specified in the tariffs for the individual services.
4. These packages are not available in connection with pay telephone service or trunk side PBX service.

B. Rates and Charges

1. Recurring Charges:

Monthly Recurring Charge

Residence Packages (3)

C

Package A: \$8.95

Calling Name & Number, Call Waiting, Cancel Call Waiting, Three Way Calling and Distinctive Ringing.

Package B: \$12.00

Calling Name & Number, Call Waiting, Cancel Call Waiting, Anonymous Call Rejection, Auto Redial, Call Return, Priority Call and Call Forwarding Busy/No Answer.

Package C: \$15.05

Calling Name & Number, Call Waiting, Cancel Call Waiting, Anonymous Call Rejection, Call Return, Priority Call, Selective Call Acceptance, Call Blocker, Call Forwarding, Remote Access to Call Forwarding and Call Forward Busy/No Answer.

MISCELLANEOUS SERVICES

XXVII. CALLING FEATURE PACKAGES (Continued)

1. Recurring Charges (Continued)

Monthly Recurring Charge

Business Packages (3)

C

Package B1: \$15.00

Calling Name & Number, Call Waiting, Cancel Call Waiting, Anonymous Call Rejection, Auto Redial, Call Return, Priority Call and Call Forwarding Busy/No Answer

Package C1: \$18.05

Calling Name & Number, Call Waiting, Cancel Call Waiting, Anonymous Call Rejection, Call Return, Priority Call, Selective Call Acceptance, Call Blocker, Call Forwarding, Remote Access to Call Forwarding and Call Forward Busy/No Answer.

2. Service Charges

- a. If the Calling Features Packages are installed at the time of the installation of the customer's telecommunications service, no service charges apply in addition to those found in Section 2. If the service is added or changed after the initial installation, the Feature Change Charge in Section 2 will apply.
- b. The Cooperative will provide a promotional offering on the Calling Features Packages from June 1, 2002 to July 31, 2002. The promotion reduces the monthly tariffed rate of the packages by 25% for all new orders.

(3) As of June 1, 2014, these Residence and Business Calling Feature Packages will be grandfathered and will no longer be offered to new customers requesting the service. All existing customers subscribed to these calling feature packages as of June 1, 2014, will remain on the service until such time as they discontinue such service.

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