

## 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 certain of the Cooperative's exchanges. GVTC proposes to increase basic local business and basic local residential access line rates in certain exchanges. GVTC also is proposing to increase the Insufficient Funds charge. GVTC's application has been assigned Project No. 46405.

The proposed rate modifications apply to business customers in the GVTC exchanges listed below. The proposed effective date for the new rates is January 1, 2017. The estimated intrastate gross annual revenue impact to GVTC is an increase of \$190,833.93.

The proposed modified access line rates are as follows:

| EXCHANGE  | B1 (Business Basic Local ) |               |                 | PBX and Key  |               |                 |
|---|----------------------------|---------------|-----------------|--------------|---------------|-----------------|
|   | Current Rate               | Proposed Rate | Rate Difference | Current Rate | Proposed Rate | Rate Difference |
| Bulverde, Smithson Valley, Cranes Mill, Hancock, Sattler, Kenberg, Cost, Sabina, Saturn, Kingsbury, Balcones, Leesville, Rocky Creek and Westhoff | \$ 25.00                   | \$ 27.00      | \$ 2.00         | \$ 26.00     | \$ 28.00      | \$ 2.00         |
| Waelder   | \$ 26.60                   | \$ 27.00      | \$ 0.40         | \$ 27.60     | \$ 28.00      | \$ 0.40         |

| EXCHANGE   | R1 (Residential) |               |                 |
|--|------------------|---------------|-----------------|
|  | Current Rate     | Proposed Rate | Rate Difference |
| Bulverde, Smithson Valley, Cranes Mill, Hancock, Sattler, Kenberg, Cost, Sabina, Saturn, Kingsbury, Balcones, Leesville, Rocky Creek, Waelder and Westhoff | \$18.90          | \$20.58       | \$1.68          |

GVTC is proposing to increase the Insufficient Funds Charge (NSF) from the current rate of \$20.00 per occurrence to \$35.00 per occurrence.

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 1-888-782-8477 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 protest(s) regarding this proposal from 5% of the affected local service customers to which this proposal applies, by December 15, 2016, the application may 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 protest(s). As of September 1, 2016, the 5% limitation equated to 1,627 customers.

Persons with questions or who want additional information or a copy of the proposed tariff may contact Guadalupe Valley Telephone Cooperative, Inc. at 36101 FM 3159, New Braunfels, Texas 78132-1604 or by telephone toll-free at (800) 367-4882