FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

DA 13-299

March 4, 2013

David Cosson, Esq.
2154 Wisconsin Ave., N.W.
Washington, D.C. 20007

Re: *Petition of Border to Border Communications, Inc. for Waiver of Section*
        54.302 and the Framework to Limit Reimbursable Capital and Operating
        Expenses for the Purpose of Determining High Cost Support, WC Docket No.
        10-90 and WT Docket No. 10-208

Dear Mr. Cosson:

On June 29, 2012, Border to Border Communications, Inc. ("Border") filed a petition for
waiver of: (1) section 54.302 of the Commission's rules, which establishes a total limit on high-
cost universal service support of $250 per line per month; and (2) section 36.621(a)(5) of the
Commission's rules, which limits reimbursable capital and operating expenses for high-cost loop
support (HCLS).[1]

The Wireline Competition Bureau (Bureau) has reviewed the information provided by
Border. Based on our review of the information already provided, the Bureau now requests
additional information.[2] This additional information is necessary for the Bureau to determine
whether there is good cause to grant the requested waivers.

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[1] Border to Border Communications, Inc., Petition for Waiver of Section 54.302 and the Framework to
Limit Reimbursable Capital and Operating Expenses for the Purpose of Determining High Cost Support,
WC Docket No. 10-90 and WT Docket No. 10-208 (filed June 29, 2012); 47 C.F.R. §§ 36.621(a)(4)-(5),
54.302. *See also Connect America Fund; A National Broadband Plan for Our Future; Establishing Just
and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a
Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and
Link-Up; Universal Service Reform—Mobility Fund*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC
Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further
Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (*USF/ICC Transformation Order*); *pets. for
review pending sub nom. In re: FCC 11-161*, No. 11-9900 (10th Cir. filed Dec. 8, 2011); *Connect America
Fund; High-Cost Universal Service Support*, WC Docket Nos. 10-90 and 05-337, Order, 27 FCC Rcd 4235
(Wireline Comp. Bur. 2012) (adopting methodology to limit reimbursable capital and operating expenses
for HCLS).

[2] *See USF/ICC Transformation Order*, 26 FCC Rcd at 17839-42, paras. 539-43 (petitioners seeking waivers
shall provide any additional information requested by Commission staff).

The questions set forth below request additional details and clarifications. For example, we seek additional details on payments to affiliates, management agreements and dividend payments. The Bureau needs to better understand Border's operations in order to fully evaluate its waiver request.

Please provide full and complete responses to the following requests and questions:

1. Provide the names, positions, and responsibilities of the individuals compensated under the January 23, 2004 Engineering Service Agreement with TRC Engineering for 2010, 2011 and 2012. For each individual, provide his or her hourly billable rate, the number of hours billed in total by TRC Engineering to Border, the total amount billed to Border, and a brief description of the activities or projects by the number of hours billed.

2. For TRC Engineering, as well as any other of Border's affiliated entities, provide the names of the affiliated entities providing services to Border, the ownership of each affiliated entity, a description of the services provided to Border, and the amounts paid to each affiliated entity for each of the last three years.

3. Provide a copy of Border's bylaws, if any, describing how dividend distributions were determined for 2010, 2011, and 2012. If no bylaws are applicable, provide copies of meeting minutes or other documents describing how dividend distributions were determined for the years above.

4. Provide a description of Border's wireline network, or illustrative network diagram, describing its architecture (e.g., core network, fiber to the premises architecture); number of route miles; number of fiber miles; and prevalent network equipment used. Include a similarly detailed description of Border's 700 MHz radio network.

5. Is the only function of Border's 700 MHz radio network to provide Internet connectivity? What does Border charge end users for services on this network? What percentage of Border's customers is served by both Border's wireline network and Border's 700 MHz wireless network?

6. Provide the financial and operating reports for the most recent four quarters that Border has also submitted to the Rural Utilities Service (RUS).

7. Provide Border's cash balances at the end of the month for the most recent three months.

8. We understand that the State of Texas has enacted a statute that requires the Public Utility Commission of Texas (Texas PUC) to "implement a mechanism to replace the reasonably projected change in revenue caused by a Federal Communications Commission order, rule, or policy." TEX. UTIL. CODE ANN. § 56.025 (c) (West 2005). We understand that Border filed a petition with the Texas PUC on February 5th, 2013 requesting relief pursuant to this statute. Describe the applicability of this statute and its implementation by the Texas PUC as it affects Border. Also estimate the impact on Border's revenues of receiving relief as requested in its petition with the Texas PUC.

9. Provide written permission to allow staff of the Federal Communications Commission to obtain from RUS information, analyses, and communications submitted by Border to

RUS; to obtain information, analyses and communications regarding Border that are in possession of RUS; and to discuss such information with staff of RUS.

If you have any questions, please call Joseph Sorresso at (202) 418-7431.

Sincerely,

Julie A. Veach
Chief, Wireline Competition Bureau

cc: Herman C. Roark, Jr.
President
Border to Border Communications, Inc.
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