



BACKGROUND, TESTIMONY, PUBLICATIONS AND PRESENTATIONS

Michael J. Balhoff, Managing Partner
Balhoff & Williams, LLC
5850 Waterloo Road, Suite 140
Columbia, Maryland 21045

1. Background

Michael J. Balhoff, CFA, is managing partner at Balhoff & Williams, LLC, a professional services firm that provides financial-regulatory consulting and advisory services to companies, investors and policymakers in the communications and energy industries. Before founding the predecessor firm to Balhoff & Williams, Mr. Balhoff was a senior equity analyst for 16 years at Legg Mason where he founded and headed the Telecommunications Equity Research Group. Prior to joining Legg Mason in 1989, Mr. Balhoff taught as a graduate and undergraduate teacher. Mr. Balhoff has a doctorate in Canon Law and four master's degrees, including an M.B.A—concentration finance—from the University of Maryland. He is a Chartered Financial Analyst (CFA) and is a member of the Baltimore Security Analysts Society. Mr. Balhoff has been named in six annual awards as a *Wall Street Journal* All-Star Analyst for his recommendations on the Telecommunications industry. His coverage of telecommunications, and especially rural telecommunications, was named by *Institutional Investor* magazine as the top telecommunications boutique in the country in 2003.

From 1996 until 2004, Mr. Balhoff focused his coverage on equities in the incumbent local exchange carrier industry, including the regional Bell companies and rural telephone carriers. His practice was most widely recognized for specialized knowledge of rural telephone companies, including regulatory factors affecting those companies, and he sponsored the only annual investor conference dedicated to investments in rural telephone companies from 2000 to 2004. He also provided investment advice to a wide range of prominent institutional and private equity investors in addition to company managements, both across North America and Europe.

In June 2010, Mr. Balhoff co-founded Charlesmead Advisors, LLC, which provides investment banking services to telecommunications carriers. The transactions on which Charlesmead has worked are available at www.charlesmead.com. Mr. Balhoff is a senior partner and one-third owner of the company with Francis X. Gallagher, Jr. and Bradley P. Williams. In addition to Mr. Balhoff's CFA, he has earned financial licenses administered by the Financial Industry Regulatory Authority (FINRA) for Series 7 (General Securities Representative Examination),

Series 79 (Investment Banking Representative) and Series 63 (Uniform Securities Agent State Law Examination).

2. Select licenses, honors, and awards

- Series 7, General Securities Representative, active
- Series 79, Limited Representative – Investment Banker, active
- Chartered Financial Analyst (1991), Charter Number 15234, active
- Baltimore Security Analysts Society (since 1991), active
- Wall Street Journal, annual “All-Star” (All-Star Survey / Best on the Street), six awards through 2004
- Institutional Investor Magazine top USA telecommunications boutique, 2003

3. Expert testimony since 2000

- Testimony or depositions in federal or state courts within the last ten years
 - Eslava et al. v. Gulf Telephone Co., Inc. et al., Civil Action No: 04-297-KD-B; In The United States District Court For The Eastern District Of Virginia, Washington, DC, Friday, July 13, 2007. Valuation report submitted March 6, 2007.
- Congressional testimony and briefings
 - Special session briefing for congressional staffers (full-day retreat): “Virginia Crossings Briefing: Investor Perspectives—Rural Issues,” Richmond, Virginia, July 19, 2003.
 - “Statement by Michael J. Balhoff, CFA, Legg Mason Wood Walker, Inc., Before the United States House of Representatives Committee on Small Business Subcommittee on Rural Enterprises, Agriculture and Technology Policy, In the Matter of The Future of Rural Telecommunications: Is the Universal Service Fund Sustainable?” September 25, 2003.
 - “Statement by Michael J. Balhoff, CFA, Before the United States House of Representatives, House Committee on Energy and Commerce, Subcommittee on Telecommunications and the Internet, In the Matter of The State Of Competition In The Communications Industry, February 4, 2004.
 - “Universal Service: Congressional Briefing,” a briefing for Senate and House staffers, U.S. Capitol, Washington, DC, April 22, 2005.
 - “Phantom Traffic: Problem and Solutions,” briefing of congressmen/women and congressional staffs, Washington, DC, House and Senate offices, May 3-4, 2005.
- Expert financial regulatory testimony
 - State of Alaska, The Regulatory Commission of Alaska, Docket Number U-05-046, Matanuska Telephone Association d/b/a MTA Petition For Suspension and Modification of Certain Section 251(c) Obligations Pursuant to Section 251(f)(2) of the Telecommunications Act of 1996, October 2005.

- Testimony before the Nashville Metro Broadband Committee, “Inquiry Issues and Perspectives on Municipal Services,” Nashville, Tennessee, May 1 and 2, 2005.
- Testimony before the Philadelphia City Council, “Philadelphia Municipal Wi-Fi: Perspectives on Plan and Risks,” Philadelphia, PA, September 14, 2005.
- Testimony before the Finance Committee of the National Association of Regulatory Utility Commissioners, “NARUC Foundation: Wall Street Briefing,” New York City, September 22, 2005.
- Testimony to “Pennsylvania State Senate Hearing: Committee on Communications and Technology,” Philadelphia, PA, November 8, 2005.
- State of Texas, Public Utility Commission of Texas, PUC Docket No. 32582, Petition of Sprint Communications Company L.P. To Terminate Rural Exemption as to Consolidated Communications of Fort Bend and Consolidated Communications of Texas Company, June 5-7, 2006.
- State of Iowa, Department of Commerce, Iowa Utilities Board, Docket Number FCU-06-042, Coon Creek Telecommunications, Complainant, v. Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom, Respondent, October 2-5, 2006.
- Iowa Utilities Board, Docket Number FCU-06-48, Community Cable Television Agency Of O’Brien County, d/b/a The Community Agency And TCSA, Complainant, v. Iowa Telecommunications Services, Inc. D/B/A Iowa Telecom, January 8 and 9, 2007.
- Testimony, State Of Vermont Public Service Board, Joint Petition Of Verizon New England Inc., d/b/a Verizon Vermont, Certain Affiliates Thereof, And Fairpoint Communications, Inc., For Approval Of An Asset Transfer, Acquisition Of Control By Merger And Associated Transactions, Docket No. 7270; direct testimony, rebuttal testimony and hearing 2007
- Testimony, State of Maine Public Utilities Commission, Docket No. 2007-67, Verizon New England Inc., Northern New England Telephone Operations Inc., Enhanced Communications Of Northern New England Inc., Northland Telephone Company Of Maine, Inc., Sidney Telephone Company, Standish Telephone Company, China Telephone Company, Maine Telephone Company And Community Service Telephone Co., Re: Joint Application For Approvals Related To Verizon’s Transfer Of Property And Customer Relations To Company To Be Merged With And Into Fairpoint Communications, Inc.; direct testimony, rebuttal testimony and hearing 2007.
- Testimony, State of New Hampshire, Before The Public Utilities Commission DT 07-011, Joint Petition by Verizon New England, Inc., et al. and FairPoint Communications, Inc. Transfer of New

- Hampshire Assets of Verizon New England, Inc. et al.; direct testimony, rebuttal testimony and hearing 2007.
- Testimony and hearing Before the Regulatory Commission of Alaska, In the Matter of The Consideration of the Access Charge Revenue Requirement Of The Matanuska Telephone Association, Inc., U-08-87; In The Matter Of The Tariff Revision Designated As TA67-999 Filed By Matanuska Telephone Association, Inc. For Approval Of Amendment Of Its Access Charge Rates, U-08-150; In The Matter Of The Tariff Revision Designated As TA510-489 Filed By GCI Communication Corp. d/b/a General Communication, Inc. And GCI For Approval Of Amendment Of Its Access Tariff To Revise Access Charge Rates That Apply In The Matanuska Telephone Association, Inc. Study Area, U-08-154; hearing May 25-28, 2009.
- Testimony before the Missouri House of Representatives and Missouri Senate, February 2, 2010 concerning reform of state telecommunications statutes.
- Testimony and hearing Before the Regulatory Commission of Alaska, In the Matter of the Revenue Requirement and Cost-of-Service Studies Designated as TA304-121, and the Tariff Filings Designated as TA306-121, TA309-121, and TA310-121 Filed by Municipality of Anchorage d/b/a Municipal Light and Power, RCA docket number U-10-31; reply testimony January 31, 2011; hearing March 21, 2011.
- Testimony before the North Carolina Public Utilities Commission, “In the Matter of Petition of Sprint to Reduce Intrastate Switched Access Rate of Incumbent Local Exchange Carriers in North Carolina, Docket No. P-100 Sub 167,” September 2011.
- Testimony before the Texas Senate Committee on Business & Commerce, concerning the Texas Universal Service Fund, March 2013.
- Testimony before the Nebraska Senate Transportation and Telecommunications Committee, concerning Nebraska Universal Service Funding, October 2013.
- Testimony before the Regulatory Commission of Alaska, In the Matter of the Tariff Revisions, Designated as TA332-121, filed by the Municipality of Anchorage D/B/A Municipal Light and Power, U-13-184; Prefiled Reply Testimony, August 8, 2014; hearing testimony, April 6-9, 2015.
- Testimony before the Public Utilities Commission of the State Of California, Application of Calaveras Telephone Company (U 1004 C) Cal-Ore Telephone Co. (U 1006 C) Ducor Telephone Company (U 1007 C) Foresthill Telephone Company (U 1009 C) Kerman Telephone Co. (U 1012 C) Pinnacles Telephone Co. (U 1013 C) The Ponderosa Telephone Co. (U 1014 C) Sierra Telephone Company, Inc. (U 1016 C) The Siskiyou Telephone

- Company U 1017 C) Volcano Telephone Company (U 1019 C) for a Determination of Applicants' Cost of Capital for Ratemaking Purposes, A. 15-09-005, Opening Testimony filed September 1, 2015; Rebuttal Testimony filed March 11, 2016; hearing testimony, April 5-9, 2016.
- Testimony before the Colorado Public Utilities Commission, Direct Testimony filed January 21, 2017, Joint Application of Level 3 Communications, Inc. and Centurylink, Inc. for Approval of Indirect Transfer of Control of All Certificated or Registered Level 3 Operating Entities In Colorado, Proceeding No. 17A-0056T.
 - Testimony before the Pennsylvania Public Utility Commission, Joint Application for All Approvals Required under the Pennsylvania Public Utility Code for the Transfer of Control of Level 3 Communications, Inc. together with: Level 3 Communications, LLC; TelCove Operations, LLC; TelCove of Pennsylvania, LLC; Broadwing Communications, LLC; WiTel Communications, LLC; Global Crossing Telecommunications, Inc.; Global Crossing Local Services, Inc.; Level 3 Telecom Data Services, LLC; To Transferee, CenturyLink, Inc. filed February 9, 2017; Docket Nos. A-2016-2580274; A-2016-2580275; A-2016-2580276; A-2016-2580277; A-2016-2580278; A-2016-2580279; A-2016-2580280; A-2016-2580281.
- Federal and State briefings and filings
- Briefing before the Staff of the Federal Communications Commission, "Reshaping Rural Telephone Markets: Financial Perspectives on Acquisitions," Washington, DC, August 29, 2001.
 - FCC and Federal-State Joint Board on Universal Service, "Kalispell Retreat: Investor Perspectives—Rural Issues," Kalispell, Montana, July 16, 2003.
 - Federal Communications Briefing on Phantom Traffic: Problems and Solutions, Washington, DC, May 3-4, 2005
 - Michael J. Balhoff and Robert C. Rowe, "Before the Federal Communications Commission, Comments of Balhoff & Rowe, LLC, In The Matter Of Federal State Joint Board For Universal Service," CC DOCKET NO. 96-45, September 30, 2005.
 - State of New York Public Service Commission, Proceeding on Motion of the Commission to Examine Issues Related to the Transition to Intermodal Competition in the Provision of Telecommunications Service, Case 05-C-0616, Comments of the New York State Telecommunications Association, Inc., and Balhoff & Rowe, LLC, prepared by Michael J. Balhoff and Robert C. Rowe, October 28, 2005.
 - Michael J. Balhoff and Robert C. Rowe, "Before The Federal Communications Commission, In The Matter Of Federal-State



- Joint Board For Universal Service, Comments Of Balhoff & Rowe, LLC On Behalf Of The Independent Telephone And Telecommunications Alliance,” WC Docket No. 05-337, CC Docket No. 96-45, October 10, 2006.
- Michael J. Balhoff, “Pending Michigan Access Reform: Perspectives from the Financial Community,” briefings of Michigan legislators, September 2009.
- “Federal Reforms: Challenges for RLECs,” briefing for the Administrator and senior staff of the Rural Utilities Services, Department of Commerce, February 2012.
- “Federal Reforms: Challenges for RLECs,” Briefing at the White House for the Office of Science, Technology and Policy, Washington, DC 2012.
- “Federal Reforms: Financial Insights,” briefing for the Office of the Chairman and Staff at the Federal Communications Commission, Washington, DC, April 2012.
- “US Department of Agriculture Federal Reforms: Challenges for RLECs,” Briefing for Thomas J. Vilsack, Secretary US Department of Agriculture, April 25, 2012.

■ Presentations and conferences

- Mr. Balhoff hosted and sponsored with Legg Mason the following annual investor conferences on rural telecommunications
 - February 25, 2000, “Legg Mason Annual RLEC Conference,” Le Parker Meridien, New York City.
 - December 5, 2000, “RLEC Regulatory Reform: An Investor Preview,” Ronald Reagan Building & International Trade Center, Washington, DC.
 - February 9, 2001, “Legg Mason Annual RLEC Conference,” Waldorf-Astoria, New York City.
 - February 7, 2002, “Legg Mason Annual RLEC Conference,” Waldorf-Astoria, New York City.
 - February 13, 2003, “Legg Mason Annual RLEC Conference,” Waldorf-Astoria, New York City.
 - October 14, 2003, “Legg Mason Annual RLEC Conference,” Las Vegas, NV.
 - October 11, 2004, “Legg Mason Annual RLEC Conference,” Las Vegas, NV (prepared and participated in the conference but did not host)
- State and federal regulatory presentations
 - “The Changing Landscape of Rural Telephony: Presentation to ROC,” presentation to the Regional Oversight Committee (commissioners from 12 western states), Denver, Colorado, October 1, 2001.

- "The Changing Landscape of Rural Telephony: Presentation to NARUC," presentation to the National Association of Regulatory Utility Commissioners, Denver, Colorado, October 2, 2001.
- "Facilitating the Business Case for Rural Upgrades: Presentation to Broadband Summit," Joint conference of NECA and the National Association of Regulatory Utility Commissioners, Washington, DC October 26, 2001.
- "Will the Financial Community Invest in Broadband?" Joint conference of NECA and the National Association of Regulatory Utility Commissioners, Washington, DC October, 2003.
- "National Regulatory Conference: Investment Perspectives," presentation to state and federal regulators, Williamsburg, Virginia, May 10, 2004.
- "Getting it Right: Coordinating Policy Approaches for Rural Telecom," presentation to the National Association of Regulatory Utility Commissioners, Salt Lake City, Utah, July 14, 2004.
- "MACRUC Meeting: Restructuring Telecom Services," presentation to the Mid-Atlantic Conference of Regulatory Utilities Commissioners," March 14, 2005.
- "Current Issues 2005: Innovative Regulation," presentation to the National Association of Regulatory Utility Commissioners, Santa Fe, New Mexico, March 21, 2005.
- "Municipal WiFi: Should Cities Join the Band," presentation to the National Association of Regulatory Utility Commissioners, July 25, 2005, Austin, Texas.
- "Municipal Wi-Fi: Government as Communications Provider, Is it a Proper Role?" presentation at the annual conference of the National Conference of State Legislatures, Seattle, Washington, August 17, 2005.
- "Rural Telephone Properties: Acquisitions and restructurings," presentation to the National Association of Regulatory Utility Commissioners, August 1, 2006, San Francisco, California.

- "Consolidation Trends and Strategy in Telecom," National Association of Regulatory Utility Commissioners, Summer Meeting, Portland, Oregon, July 22, 2008.
 - "Mergers, Consolidation, Convergence, Capital and Consumers," National Association of Regulatory Utility Commissioners, St. Louis, MO, November 13, 2011
 - "Financial Observations on FCC Transformation Order," National Association of Regulatory Utility Commissioners, Washington, DC, February 2012
 - "Implementing ICC Reform: What's Left for the States," The Mid-Atlantic Conference of Regulatory Utilities Commissioners, Hershey, Pennsylvania, June 2012.
4. Other presentations
- "An Investor's View of Rate-of-Return Access Reform" Presentation to United States Telecom Association, Phoenix, Arizona, October 9, 2001.
 - "Reshaping Rural Telephone Markets," Presentation at the annual conference of the Organization for the Promotion and Advancement of Small Telecommunications Companies, January 23, 2002.
 - "The Changing Landscape of Rural Telephony: Yale Telecom Studies Presentation," Yale University, November 8, 2002.
 - "Financial Community's Perspectives on Bundling," presentation at the annual conference of the United States Telecom Association, Las Vegas, October 12, 2003.
 - "Phone Facts: Emerging New Services," presentation at the annual conference of the United States Telecom Association, Las Vegas, October 13, 2003.
 - "RICA Annual Conference: Capital Markets," presentation at the annual conference of Rural Independent Competitive Alliance, Las Vegas, June 1, 2005.
 - "Universal Service: Briefing Overview," presentation to Washington policymakers, sponsored by the United States Telecom Association, Washington, DC, June 24, 2005.
 - "WTA Fall Convention: A Strategic Financial View," presentation to the Western Telecommunications Alliance, Albuquerque, New Mexico, November 11, 2005.
 - "Broadband Investment in California: A View from Wall Street," presentation to the California Communications Association, Monterey, California, February 21, 2006.

- “Changing Telecom Market: Opportunities & Challenges,” keynote address at the national telecommunications conference sponsored by the Martin Group, San Antonio, Texas, September 11, 2006.
- “Future of Rural Regulation: Emerging Issues,” presentation at annual invitation-only three day session sponsored by the KMB Journal on Telecommunications Policies and Practices for Leaders in Industry, Government, and Education, Tampa, Florida, October 11, 2006.
- “RLEC M&A Discussion,” Federal Communications Bar Association, Washington, DC, May 2008.
- “Changing Profile of Rural Telecom: Opportunities and Challenges,” Warinner Gesinger 21st Annual Telecom Seminar, Kansas City, Missouri, December 2, 2008.
- “Perspectives from the Financial Community,” Telecommunications Association of Michigan, September 16, 2009.
- “Emerging Strategic Challenges for Rural Carriers: Financial Outlook and Directions,” New York State Telecommunications Association conference, Cooperstown, New York, June 2012.
- “Understanding the Benefits/Risks of the FCC’s Quantile Regression Analysis,” webinar presentation, March 2013.
- “Seismic Regulatory and Financial Changes for the Rural Carrier Industry,” keynote at the Western Telecommunications Alliance, San Francisco, California, October 2013.
- “How Universal Service Principles Will Be Addressed as IP-Networks Evolve and New Services Emerge,” presentation to the National Telecommunications Cooperative Association, September 19, 2013, Chicago, Illinois.
- “RLECs: A Look in the Mirror,” Telecom Executive Forum, National Telecommunications Cooperative Association, March 2014.
- “Emerging Strategic Value Creation: A Telecommunications Report Card,” keynote presentation to the Georgia Telecommunications Association, Orlando, Florida, June 2014.
- “Building Scope and Scale: Strategic Activity in the Telecom Industry,” presentation to the Montana Telecommunications Association, September 1, 2015.
- “Fiduciary Responsibilities for Directors,” NTCA conference presentation, September 21, 2015, Boston, Massachusetts.
- “A Financial Analyst’s View of Evolving Rural Regulation: Risks and Opportunities,” presentation to the Texas Statewide Telephone Cooperative, Inc., October 15, 2015, San Antonio, Texas.
- “Strategic Activity in the Telecom Industry: A Roadmap for Smaller Carriers,” presentation to the Tennessee

- Telecommunication Association and the Kentucky Telecom Association, October 28, 2015, Bowling Green, Kentucky.
- “RLEC Strategic Activity: A Discussion with USAC Leadership,” November 30, 2015, Washington, DC.
- “Building Scope and Scale: Strategic Activity in the Telecom Industry,” presentation to the Iowa Communications Alliance, March 9, 2016, Des Moines, Iowa.

5. Major publications since 1998

- Michael J. Balhoff, CFA, Telephone Wars: The ILECs Prepare Their Lines for the Offensive, Legg Mason Wood Walker, Inc., Fall 1998.
- Michael J. Balhoff, Telecommunications: Quarterly Earnings Preview, issued quarterly in the 1990s and early 2000s.
- Michael J. Balhoff, CFA, Telephone Wars: Local Competition Update, a quarterly review.
- Michael J. Balhoff, CFA, Harvesting New Values: Rural Local Exchange Industry; Legg Mason Wood Walker, Inc., Spring 1999.
- Michael J. Balhoff, CFA, Rural Local Exchange Carriers: New CLEC Initiatives; Legg Mason Wood Walker, Inc., Fall 1999.
- Michael J. Balhoff et al., Reshaping Rural Telephone Markets: Financial Perspectives on Integrating Acquired Access Lines; Legg Mason Wood Walker, Inc., Fall 2002.
- Michael J. Balhoff et al., The RLEC Monitor; Legg Mason Wood Walker, Inc., a quarterly review.
- Michael J. Balhoff, “The Financial Health of Rural ILECs,” OPASTCO Roundtable, July/August 2002, pp. 18-26.
- Michael J. Balhoff, “The Forecast: An Update on RBOC Sales of Rural Lines,” July/August 2002, pp. 28-29.
- Michael J. Balhoff and Robert C. Rowe, Municipal Broadband: Digging Beneath the Surface; Balhoff & Rowe, LLC, 2005.
- Michael J. Balhoff, Robert C. Rowe, and Bradley P. Williams, Universal Service Funding: Realities of Serving Telecom Customers in High-Cost Regions; Balhoff & Rowe, LLC, Summer 2007.
- Michael J. Balhoff and Bradley P. Williams, “State USF White Paper: New Rural Investment Challenges,” Balhoff & Williams, LLC, February 2013.
- Vincent H. Wiemer and Michael J. Balhoff, CFA, White Paper: Lessons from Rebuilding the FCC’s Quantile Regression Analysis; Balhoff & Williams, LLC, February 2013.
- Michael J. Balhoff, “Assessing the FCC’s Proposed Reform of Business Data Services,” A Five Part series, Sponsored by Invest in Broadband for America, available at <http://www.fiercetelecom.com/sponsored/assessing-fcc-s-proposed-reform-business-data-services>.