

Law Office of  
Richard A. Finnigan  
2112 Black Lake Blvd. SW  
Olympia, Washington 98512  
Fax (360) 587-3852

Richard A. Finnigan  
(360) 956-7001  
rickfinn@localaccess.com

Kathy McCrary, Paralegal  
(360) 753-7012  
kathym@localaccess.com

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February 23, 2011

**VIA E-FILING**

David Danner, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive SW  
Olympia, WA 98504-7250

Re: Inland Telephone Company, d/b/a Inland Networks - First Revised  
Sheet No. 101 Canceling Original Sheet No. 101; First Revised  
Sheet No. 103 Canceling Original Sheet No. 103; First Revised  
Sheet No. 104 Canceling Original Sheet No. 104; First Revised  
Sheet No. 105 Canceling Original Sheet No. 105

Dear Mr. Danner:

Attached you will find the above-referenced tariff sheets for Inland Telephone Company (the "Company"). The purpose of this filing is to reduce the rates in the Rural Areas of the Company's exchanges, as defined in the Company's tariff to the same rate that exists in the Base Rate Area as defined in the Company's tariff.

As background for this filing, the Company has filed for a major loan with the Rural Utility Service (RUS). The loan is in excess of twenty million dollars. Proceeds from the loan will allow the Company to install fiber optic cable, either to the premise or to the node, in its service areas. This construction project will allow the Company to provide greatly enhanced broadband service to its customers.

One of the requirements that RUS imposes as a condition for approving the loan is that the rates in any exchange must be the same throughout the exchange. The Company only recently became aware of this requirement.

In order not to hold up the processing of the loan, the Company is making this filing pursuant to the provisions of RCW 80.36.110(2)(a) and WAC 480-80-121(1)(b). To that end, the Company hereby agrees that it will not file for an increase to any rate, charge, rental or toll to recover the revenue deficit that results from this decrease for a period of one year.

This filing will reduce the Company's revenue by a projected \$29,685 on an annual basis.

The table set forth below sets out the existing rates in the Rural Areas of each exchange and what the new proposed rate will be.

<u>Exchange</u>	<u>Existing Rate-Business</u>	<u>New Rate-Business</u>	<u>Existing Rate-Residential</u>	<u>New Rate-Residential</u>
Uniontown*			\$19.00	\$15.00
Prescott	\$33.60	\$26.50	\$26.00	\$16.50
Roslyn	\$29.00	\$24.00	\$17.75	\$13.80
Uniontown, DeWatto, Prescott and Roslyn-Measured Service	N/A	N/A	\$12.00	\$10.00

\*Uniontown business rates are already identical

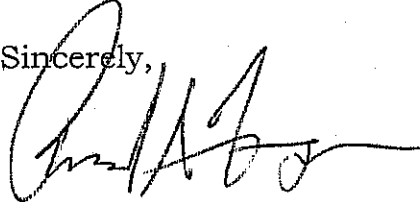
The Company will include a bill message on its bills that are mailed on or about March 1, 2011, informing the customers of the new rate. In order to avoid proration of bills and other administrative expenses, the new rates will take effect on April 1, 2011. However, by filing on ten days' notice, the Company will satisfy the requirements of the RUS and expects that the loan application may then proceed without interruption.

The undersigned has authority to file tariff sheets on behalf of the Company.

David Danner  
February 23, 2011  
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Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Finnigan', written over a horizontal line.

RICHARD A. FINNIGAN

RAF/km  
Enclosures

cc: James Brooks (via e-mail)