

October 1st. 2013

IMPORTANT NOTICE

The Toledo Telephone Co., Inc. has filed with the Washington Utilities and Transportation Commission ("Commission") to increase its residential individual line service effective November 30th, 2014, to \$16.00 a month. The existing rate is \$14.00. In addition, the Company is requesting to increase its business individual line service to \$16.00. The existing rate is \$14.00.

The reason for this filing is that the Federal Communications Commission has issued an Order (FCC Order No. 11-161) that requires the Company to increase its rates to the levels we have set forth in this Notice or face a corresponding reduction in universal service support. The Company does not want to raise its local rates. However, in order to continue to receive the same level of universal service support, which allows us to provide high quality service to you, we are required by the FCC to increase these rates or see a reduction in that support.

This is not something that the Company is taking lightly. However, in considering the options available to it, the Company believes it has no choice but to follow the FCC's requirement in order to continue to receive universal service support at approximately the same levels it has in the past.

If you have any questions about the proposed filing and how it will affect you, please call the Company at 360-864-4552.

The Commission has the authority to set rates that may vary from the Company's request, depending on the outcome of its investigation. Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on October 30, 2014. You will have an opportunity to comment in person at this meeting. If you are unable to attend the open meeting, the Commission has a bridge line which enables you to participate by telephone. Call 360-664-1234 the day before the open meeting for instructions and to sign in. You can also comment by using the "Public Comment" feature at the commission's web site, at utc.wa.gov, or by using the contact information below.

Washington Utilities and Transportation Commission 1300 S Evergreen Park Drive SW Post Office Box 47250 Olympia, WA 98504-7250 E-mail: comments@utc.wa.gov Telephone: 1-888-333-WUTC (9882)

Sincerely,

The Toledo Telephone Co., Inc.