

Bob Shirley

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To:

cc:

Russell/WUTC@WUTC, Glenn Blackmon/WUTC@WUTC

Subject:

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Kristen

WTAP Reimbursement:

I spoke to Glenn about what might be the best language to suggest for you to consider in order to limit up-sid exposure.

As a first stab, you may want to consider:

"Reimbursement for service to eligible customers. The WTAP program will reimburse local exchange companies for each eligible customer served an amount equal to the monthly basic local service rate of the incumbent local exchange company providing service in the customer's exchange, minus the WTAP rate set by the commission, and minus the amount of federal low-cost reimbursement available to an eligible telecommunications company."

Note that if a LEC chooses not to be an ETC, it will nevertheless have what is "available" to an ETC subtracted from the local service rate (along with the customer payment) in order to determine the reimbursement.

Please e-mail or call if you have questions.

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