

NEW YORK STATE TELECOMMUNICATIONS ASSOCIATION, INC.

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November 9, 2018

Honorable Kathleen Burgess, Secretary New York State Public Service Commission Three Empire State Plaza Albany, New York 12223

Dear Secretary Burgess:

Enclosed, please find the following revised pages for Hancock Telephone Company

P.S.C. No. 5 – Telephone
Section 3
Seventh Revised Page 6
Fourth Revised Page 17

Addendum 3
Basic Local Service Credit
Addendum 8
Lifeline Credit

The issue date of this filing is November 9, 2018 and the effective date is January 1, 2019.

The Company seeks to revise its tariff pursuant to the Commission's Order in Case Nos. 07-C-0349, dated December 18, 2009 and 06-C-0314 (RTB Dissolution Order) released March 21, 2006.

Pursuant to the Regulatory Framework Order, the company is allowed to increase its residential local service rates provided that the revenue impact does not cause its adjusted Return on Equity (ROE) to rise above its authorized ROE. The Order also allows those companies that have residential rates that will exceed their business rates to increase their business rates to be equal with their residential rates. Therefore the Company also seeks to raise their business rates, including the trunk rate and Public Access Line (PAL) rate, which are based on the company's access line rates. The current \$.90 rate increase does not cause the Company to go over its authorized ROE, please see Attachment 1 for the supporting calculation.

In addition, the company seeks to offset this \$.90 rate increase via a customer bill credit using available RTB proceeds, consistent with the above-referenced Order. In this Order, the Commission stated "Now that RTB is being dissolved and RTB stocks redeemed, the proceeds must be appropriately used for regulated purposes such as reducing debt, reducing deferrals or offsetting rate increases."

Customers will be notified via the Company's normal marketing efforts. If you have any questions, please call me at 443-2703.

Sincerely,
-SCaroline Hill, Director
Regulatory & Member Services