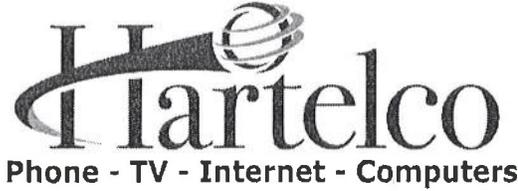


C-4869



September 1, 2016

NOTICE OF PROPOSED RATE CHANGE

Dear Valued Hartelco Customer,

The goal of Hartelco is to continue to provide you with the best possible services including reliable telecommunication access world-wide and the important task of supplying reliable access to emergency responders when customers dial 9-1-1, all while keeping your telephone rates low.

Hartelco has not increased its basic local exchange rates since September of 2000. However, the Federal Communications Commission (FCC) previously issued an order requiring local phone service providers to charge a minimum monthly rate for local phone service in order to avoid forfeiture of federal universal support funds.

To achieve this FCC-required minimum monthly rate, and in accordance with Nebraska statutes and the rules of the Nebraska Public Service Commission (Commission), through this letter Hartelco is providing you with notice of its intention to increase basic local exchange rates for its residential customers effective with your June 1, 2017 bill. The proposed basic local exchange service rate increase is as follows:

	<u>Current Rate</u>	<u>Proposed Rate</u>
Residential Basic Local Service	\$17.50	\$20.00

A public information meeting will be held where further details will be provided with regard to the proposed rate increases. We invite you to attend the public meeting at the Hartington City Auditorium basement on Wednesday September 14th at 5:00pm.

You have the right, as an affected customer, to petition the Commission for a review of the proposed rate increase. In accordance with applicable statutes and Commission Rules, Commission review will occur if at least five percent (5%) of affected customers present proper complaints to the Commission. Since 885 Hartelco customers will be affected by this increase, at least 44 customers must sign and file complaints with the Commission for Commission review to occur. Complaints must be postmarked no later than December 1, 2016. Each complaint is required to include the name of the residential customer, the signature of the residential customer, and the telephone number (to aid in verifying the customer's identity). For more information or to obtain a complaint form, contact the Nebraska Public Service Commission at 300 The Atrium, 1200 N Street, Lincoln, NE 68508 or 402-471-3101 or 1-800-526-0017, or visit the Commission's website at www.psc.nebraska.gov.

Hartelco is committed to providing you with quality communication services at competitive rates. Thank you for being a valued Hartelco customer. We appreciate your business and look forward to serving you for years to come. Please feel free to contact us at 402-254-3901 with any questions.

Sincerely,

Michael J. Becker
General Manager/CEO

Received

AUG 31 2016