

2009 Legislative and Regulatory Conference



O P A S T C O

ABOUT OPASTCO

The Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) is a national trade association made up of approximately 520 small, local telecommunications carriers serving rural areas of the United States. OPASTCO members embody the universal service concept, offering high-quality facilities-based telecommunications services to all the consumers in their territories. The average OPASTCO member company serves approximately 7,500 access lines. Collectively, these companies serve approximately four million customers in 47 states.

In addition to local phone service, OPASTCO members provide a wide range of other services, including: broadband, video, wireless, long distance, and competitive local exchange. On average, OPASTCO members are able to offer broadband to more than 90 percent of the consumers in their service areas. In addition, 75 percent of these companies offer video services utilizing a variety of technologies.

OPASTCO and WTA members have unique characteristics that differentiate them from the largest carriers:

- Higher local line costs due to long distances between customers and a switch, as well as difficult terrain.
- Higher unit costs for switching equipment due to smaller and more geographically dispersed subscriber populations that offer a limited volume of telecommunications traffic.
- Higher proportion of residential versus business subscribers.
- Greater risk of upward pressure on residential rates from bypassing and "creamskimming" by new entrants that target only the few higher-density locations in a rural area.
- Considerably smaller local calling areas, requiring a greater number of toll calls for subscribers.
- OPASTCO and WTA members derive, on average, approximately 60 percent of their operating revenues through a combination of intercarrier compensation and universal service support mechanisms.

Organization for the Promotion and Advancement of Small Telecommunications Companies

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**W E S T E R N
T E L E C O M M U N I C A T I O N S
A L L I A N C E**

ABOUT WTA

The Western Telecommunications Alliance (WTA) represents more than 250 small telecommunications companies across the 24 states west of the Mississippi River. WTA's members serve some of the most remote, rural, and hard-to-serve areas in the country and are the provider of last resort to these communities. Practically all WTA member companies provide high-quality voice, broadband, and video services in high-cost areas. Most members serve fewer than 3,000 access lines.

Whether it's the rural plains of the Midwest, the frozen tundra of Alaska, the Rocky Mountains, Native American reservations, or farming communities, WTA member companies have the experience and desire to ensure that Americans living in sparsely populated and hard-to-serve areas enjoy the same telecommunications services as those living in America's suburbs and cities.

Western Telecommunications Alliance

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