

2011 Legislative and Regulatory Conference



ABOUT OPASTCO

The Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) is a national trade association made up of approximately 460 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 of the consumers in their territories. The average OPASTCO member company serves approximately 6,600 access lines. Collectively, these companies serve approximately three 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.



ABOUT WTA

Western Telecommunications Alliance is a trade association whose membership is comprised of approximately 250 rural telecommunications carriers providing high-quality voice, video and data services throughout rural areas in the 24 states west of the Mississippi River. On average, WTA member companies serve fewer than 3,000 access lines with fewer than 500 customers in each exchange. WTA's members serve some of the most rural and hard-to-serve communities in the country and are on the forefront of bringing 21st Century telecommunications services to rural America.

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 bypass and "creamskimming" by new entrants that target only the few higher-density locations in a rural area.
- OPASTCO and WTA members derive, on average, approximately 70 percent of their operating revenues through a combination of universal service support mechanisms and intercarrier compensation.

Organization for the Promotion and Advancement of Small Telecommunications Companies

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