

Response to Item 10:

An application was filed with the International Bureau this date for Section 214 authority for a transfer of control of Piedmont Communications Services, Inc. (“PCS”)¹ as the result of a merger of its parent company, Piedmont Telephone Membership Corporation (“PTMC”), into Surry Telephone Membership Corporation (“STMC”). The effective date of the merger was January 1, 2009. Special Temporary Authority (“STA”) is hereby requested for PCS to continue uninterrupted service to the public while its application for permanent Section 214 authorization of the transfer of control is processed by the Commission.

As a result of the merger, PCS became a wholly owned subsidiary of STMC. Prior to the merger both PTMC and STMC were member-owned cooperatives providing local exchange services in the State of North Carolina. STMC continues to operate as a member-owned cooperative without a change in control. The parties regret that the need for Commission authorization as to PCS’s international resale operations was not recognized before the merger occurred.

We note that before and after the merger, PCS was and remains the carrier of record to customers. Grant of the requested STA will serve the public interest, convenience and necessity because it will permit the continued provision of service by PCS without interruption to customers while the Commission considers the application for approval of the transfer of control. Customers rely upon PCS for telecommunications service and would be adversely impacted if there was a disruption of service while the application for permanent authorization is processed. As indicated by the accompanying application, the underlying transaction has provided financial

¹ See application for transfer of control authorization, Submission ID: IB2010000414.

stability and efficiencies that better ensure the ongoing provision of high quality telecommunications to the public by PCS on a competitive basis. The merger of rural telephone companies that resulted in a transfer of control of PCS does not present any eligibility or anticompetitive concerns under applicable Commission rules and policies.

STMC as transferee, and PCS as the international Section 214 authorization holder, acknowledge that grant of this STA request will not prejudice any action the Commission may take on the underlying application for Commission consent to the transfer of control of PCS. The parties further acknowledge that STA may be revoked by the Commission upon its own motion without a hearing.

Response to Item 16:

With reference to Section 63.18(d) of the Commission's rules, PCS holds the following international Section 214 authorization which is the subject of this STA request: File No. ITC-214-20010323-00152. That authorization is for Global or Limited Global Resale Service.

In response to Section 63.18(e)(3) of the Commission's rules, PCS hereby certifies that it will comply with the terms and conditions contained in Section 63.22 of the Commission's rules. (Section 63.21 which concerns facilities-based international carriers is inapplicable to this STA request.)

Section 63.18(g) of the Commission's rules is not applicable because PCS does not seek facilities-based authority.