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November 8, 2016

VIA E-FILING

Oregon Public Utility Commission
PO Box 1088
Salem OR 97308-1088

Re: Transfer of Customer Base – Customer Notice

Dear Sir/Madam:

As has been discussed with Commission Staff, Canby Telephone Association ("Canby") is acquiring the customer base of Mt. Angel Telephone Company ("Mt. Angel"), its wholly owned subsidiary, to be effective midnight, December 31, 2016. There will be absolutely no change in the service received by the customers in the Mt. Angel exchange.

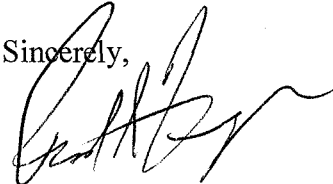
It is Canby's position that because this is a transfer of the customer base from one incumbent local exchange carrier to another incumbent local exchange carrier and because Mt. Angel is a wholly owned subsidiary of Canby, the discontinuance of service rule does not apply. However, Canby wants to assure the Commission that the customers in the Mt. Angel exchange have been provided with a great deal of notice and information about the change, which as far as the customer is concerned is a paper change only. To that end, please find attached a copy of the notice that was provided to the customers earlier this year.

In addition to the customer notice, there are other educational efforts that have been undertaken so that the customers understand that there will be no effect upon the service they receive in either quality or quantity.

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If there are any questions concerning this matter, please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard A. Finnigan", written in a cursive style.

RICHARD A. FINNIGAN

RAF/cs
Enclosure

cc: Paul Hauer (via e-mail)
Jim Stanage (via e-mail)
Bryan Conway (via e-mail)
Donovan Jackson (via e-mail)



Dear Valued Member,

We have exciting news!

In October of 2007, Canby Telephone Association acquired Mt. Angel Telephone Company. Since then, Mt. Angel Telephone Company has continued to function as a private and independent operating company providing business and residential telecommunications services while Canby Telephone Association operated as a telecommunication cooperative. The Canby Telephone Association Board of Directors is pleased to demonstrate our commitment and dedication to the Mt. Angel community and its residents with a business model change. Starting on January 1, 2017, Mt. Angel Telephone Company will be fully unified with Canby Telephone Association as a Cooperative Telecommunications Association.

A cooperative is a non-profit form of business. This is significant because, unlike other businesses, a cooperative is owned and controlled by the people who use it. These users are known as “members.” A cooperative operates for the benefit of its members, not for a small group of investors or a single owner. As a member of a cooperative, you share in the profits made in the form of capital credits. A cooperative is founded on member’s values and needs including: democratic principles, community commitment and interaction, cooperative buying power and economic advantage. Essentially, it’s people helping people.

“Every day, the employees of Canby Telephone Association work to demonstrate that cooperative enterprise builds a better world. We not only deliver information, communication and entertainment, but we work to improve the quality of life in our service communities through generous donations for local non-profits and employee volunteerism,” said Paul Hauer, President of Canby Telephone Association. “We are excited to partner with the members of our service communities as a cooperative that puts people first.”

The local business office will remain in Mt. Angel and all employees for both companies will continue in their current positions. In the fall of this year, additional changes will be implemented in both Canby and Mt. Angel that will represent our joint mission to deliver a direct link that provides unlimited potential for the communities we serve. Watch for more information about these changes in the news section on www.mtangeltel.net, in your monthly bill statement, and the Open Lines newsletter.

Included with this notification are answers to questions you may have about this announcement. Should you have additional questions, feel free to reach out to the Mt. Angel Telephone Company office staff at 503.845.2291 or stop by our customer appreciation booth on Friday August 19th from 11:00 until 2:00 PM. We look forward to seeing you there and serving you for many years to come.

Best wishes,

Mt. Angel Telephone Company & Canby Telephone Association

Questions and Answers

What is a Cooperative?

A cooperative is a non-profit form of business. Unlike other businesses, a cooperative is owned and controlled by the people who use it: the members. A cooperative operates for the benefit of its members, not for a small group of investors or a single owner. As a member of Canby Telephone Association, you will share in the profits made by the cooperative in the form of capital credits.

What are the benefits of a becoming a cooperative Member?

More than 1.2 million Americans receive their local telephone and Internet service from a cooperative. As a member-based cooperative, it is our duty to be good stewards of the trust you've placed in us by providing the most cost-effective, state-of-the-art, and quality services available. Membership establishes ownership and guarantees access to quality services that support your lifestyle. You will earn dividends based on the services you subscribe to and the overall financial success of the cooperative.

How do I become a Member?

On January 1, 2017 if you subscribe to telephone or high-speed Internet service you will be automatically become a cooperative member and part owner of Canby Telephone Association.

How am I represented as a Member?

You are represented by individuals in the community. As a member, each year you have the opportunity to vote for the director positions up for election. The board members represent you, the members, and make decisions concerning the cooperative that are in your best interest. However, as a member, you may contact the office at any time with questions and concerns. You are encouraged to attend the cooperative's annual meeting held each year. Directors are elected and the cooperative's happenings and health of the business are discussed at the annual meeting which is open to all members. You will receive an annual report each year at your service address with information on the day and time the annual meeting is to be held.

How does this change affect me?

Your services, rates, access to 24/7 technical support, and in town office staff will remain as they are now. The business model change to a cooperative creates multiple efficiencies in the running of both Canby and Mt. Angel locations that allows for additional sharing of resources, including access to a wealth of employee knowledge and skill sets. These efficiencies directly benefit you as a member through research and development, economies of scale in equipment pricing, and many other areas.

Will the Mt. Angel office close or see changes?

The existing office on North Garfield Street will remain open, with no change in staffing or management. As additional universal changes are made later in the year, appearances may be updated but the underlying foundation of community commitment, values, and quality of services will remain the same.