

Grande River Communications

Changes Name To VTX Communications



with Same Great Service



VTX COMMUNICATIONS
A VTCI Company



VTX BROADBAND
A VTCI Company

Raymondville, TX – February 21, 2006: In order to establish a distinctive market signature, and reflect the dynamic change within its industry, Grande River Communications has changed its name, and is now VTX Communications, LP. This change is a rebranding only, and will not affect any existing customers or their services. All company management and resources remain in place.

"We feel this change provides us with a more distinctive market identity. Along with our recognized excellence in customer service, and state-of-the-art services, this new identity will help continue the explosive growth we've experienced in the last few years," said parent company General Manager Dave Osborn.

Originally founded in 1992 under its former name, VTX Communications is a deregulated subsidiary of parent company Valley Telephone Cooperative, Inc. (VTCI). VTCI is a 54 year old local exchange carrier serving over 7,300 square miles of franchised territory. Regulated by the Public Utility Commission of Texas, VTCI wholly owns and operates its newly named subsidiary.

Initially started as a transport carrier with optical interconnection points in Harlingen and Laredo, the company quickly expanded its network to provide a comprehensive array of services. Interconnection points now include San Antonio, Corpus Christi, Laredo, Harlingen, and Hidalgo, and includes interconnection with over 30 other telecommunications companies. International interconnectivity is provided at its Laredo office, and will soon be available at its Hidalgo location.

VTX Communications' Synchronous Optical Network (SONET) system provides a full range of communications services to Valley and international users. These include dedicated fiber optic transport, domestic and international voice termination and data connectivity, Internet provider service (including HDSL), and Internet Protocol (IP) transport. The company's business and technical staff also provide long distance services and a full range of business network consulting and design expertise.

"We deliver today what other providers can only promise for tomorrow," said Osborn, "whether it's a sophisticated data transport solution, or simply helping a business utilize its network more efficiently. At VTX Communications, we don't create products for customers; we create solutions for them, and we do it at a price that's competitive with anyone in the market."

Another VTCI affiliate will soon be re-named VTX Broadband, reflecting its focus on the provision of wireless broadband internet connections, internet services, and web design services.

"By any name, our VTX Communications and VTX Broadband companies are the best choice for South Texas business," Osborn stated, "We're both local companies with decades of experience in South Texas business, and we've got an astounding network to help meet any challenge. With these tools, we'll continue to provide innovative solutions for our clients, and our growth and expansion will inevitably follow."

MEDIA CONTACT: Suzy Ginsburg • 713-721-4774
suzy@gcomworks.com

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A Message From the General Manager



Greetings from Valley Telephone! Hopefully, this finds you preparing for summer where you will have time to relax and slow down a bit in the South Texas heat.

It was a busy spring! Our 2006 Annual Meetings were well attended and very successful. If you made it to one of the meetings, thanks for making time on a Saturday to spend with us. For those who couldn't make it, the BBQ was great, and several new initiatives – broadcast video and DSL upgrades as an example – were announced as being in development and trial stages. In short, we are upgrading the current DSL service to newer technology which is much faster, and we are participating in a national trial of video services with selected members near Raymondville to see whether this is a viable service that we can offer to members.

The end of the school year brings us the VTCI College Scholarship winners and our annual winner for the FRS Youth Tour in Washington D.C. Scholarship winners will be announced shortly; however, this year's FRS Youth Tour winner is Deidra Busse from the Stillman exchange. Congratulations, Deidra, you're going to love touring our nation's capital.

Finally, I want to advise members that we are having a series of meetings to discuss and perfect our Emergency Procedures as we enter the hurricane season. The weather people are telling us to expect an active season, so we are reviewing our current procedures and improving them as needed. When the storms come, we will be ready!

Have a great and safe summer!

Dave Osborn
General Manager

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Internet Protocol TV

There could be a lot more choice of what to watch and when.

VTCI has been selected as one of the few companies in the country to participate in the National Rural Telecommunications Coop NRTC/NTCA beta trial for broadcast TV via the use of IP protocol. Internet protocol television (IPTV) offers next-generation technology to send out both standard and high definition premium programming over existing DSL lines or fiber.

Trial participants will have access to approximately 120 national TV stations as well as local TV channels that originate in the Rio Grande Valley area. As a trial user each customer will be provided up to three set top boxes and associated TVs for usage during the trial.

The IPTV beta trail will allow VTCI to thoroughly test the technical and market feasibility of transporting broadcast TV content via the new ADSL2 + and FTTH (Fiber to the home) networks.



Shown left: Mike Carney NRTC National Sales Director IPTV, Jeremy Graves NRTC Trueband Sales and Marketing Manager, Albert Villarreal VTCI Network Technician, Wayne Trapp VTCI Switch Technician, Richard Cavin VTCI Network Manager



TEAM VTCI Spreads their Wings of Hope at the 2nd Annual "Relay for Life" Willacy County

"Relay for Life" is a fun-filled overnight event designed to celebrate survivorship and raise money for research and programs for the American Cancer Society. During the event, teams of people gather at schools, fairgrounds, or parks and take turns walking or running laps. Each team tries to keep at least one team member on the track at all times.

This year's event was held on April 21 and 22 at the Lyford Bulldog Stadium in Lyford, Texas. VTCI raised \$4473.05 to benefit "Relay for Life". Fund-raising efforts included bake sales, raffles, donations, and the sale of barbeque plates. Families, friends, and co-workers all came together to make this goal a reality.



Shown Left: Javier Villegas, Marty Martinez Team Captain, and Chris Soto, are all employees of VTCI and the Wings of Hope team members.

"The event touches a special place in the hearts of the employees here at VTCI." "We all worked together for this event," said Team Captain Marty Martinez, and many of our employees donated their time and money; it was all a team effort."

Team member Chris Soto said she was proud to participate. "We have a good time, but we all know the seriousness behind the event," she said.

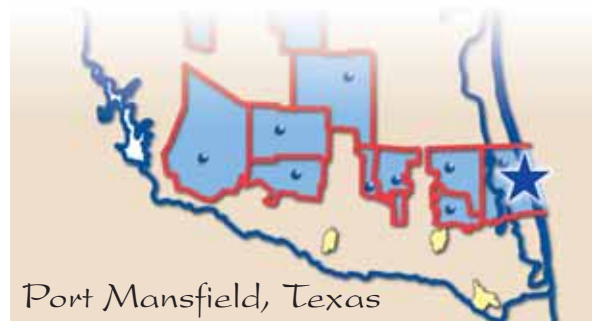
Team VTCI is already looking forward to the 2007 "Relay for Life", and has set a new goal of \$6,000. The Team thanks you sincerely for helping and is counting on your continued support.

Around VTCI Exchanges

Port Mansfield, Texas: A Secluded, Semitropical Escape

This year head off on a family vacation that will widen your kid's eyes while keeping the adults in your crowd sane and smiling. Fishing, boating, and overnight camping are all available in Port Mansfield Texas.

Located on the shores of the Laguna Madre near the southern tip of Texas, Port Mansfield is a scenic twenty-minute drive east of Raymondville, TX on highway 186.



Though still unknown to most, Port Mansfield offers excellent fishing, abundant wildlife, and an affordable secluded semitropical escape. Events scheduled through June and July include, The First Annual Rotary fishing tournament, ABACO tournament, and the Port Mansfield tournament. In addition to fishing tournaments, a fireworks display on Independents day adds to the fun.

For more information about Port Mansfield attractions contact the Chamber of Commerce at 956-944-2354 or www.portmansfield.us



If you are interested in obtaining information about the FRS Youth Tour, please contact Paulette Lefner 956-642-1133

Deidra Busse Wins FRS Youth Tour

It's the Trip of a Lifetime!

Valley Telephone Cooperative is a proud member of the National Telecommunications Cooperative Association (NTCA), a trade association that represents over 560 locally owned telephone companies, like ours, throughout rural America. Many NTCA member companies like Valley Telephone, will be sending students from their communities to Washington, D.C. for the 2006 FRS Youth Tour.

We are very excited to be offering this opportunity to this year's participant Deidra Busse. Deidra attends the Science Academy of South Texas in Mercedes and is from the Stillman exchange.

So what's in it for Deidra:

- A four-day, all expense paid trip to Washington, D.C.
- An opportunity to visit famous historical sites and amazing museums
- A chance to meet other high school juniors from across rural America
- A chance to learn more about the telecommunications industry
- An opportunity to learn first-hand about the legislative and governmental processes

Deidra will see the U.S. Capitol, Arlington National Cemetery, the Lincoln Memorial and Mount Vernon. She'll also visit the Jefferson Memorial, the World War II Memorial, the Smithsonian Museums and the FDR Memorial.



480 South 6th Street
Raymondville, TX 78580
Phone: (800)-446-2031
Fax: (956) 642-1051
<http://www.vtci.net>

Dave Osborn, General Manager

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Business Office Hours

Monday-Friday: 8 a.m. – 5 p.m.
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Internet Support Hours

Monday-Friday: 8 a.m. – 9 p.m.
Saturday: 10 a.m. – 7 p.m.
Sunday: 1 p.m. – 7 p.m.



Reduced Long Distance Rates



VTX Communications formerly known as GRC, has lowered their long distance rates. Customers who currently have VTX Communications as their long distance provider will see a decrease in toll charges and their monthly service fee. The long distance package that used to cost \$3.95 a month and 10 cents a minute now costs \$1.95 per month and 6.9 cents per minute.

VTX long distance customers were automatically converted to a new billing on May 1, 2006.

If you have any questions regarding VTX Communications long distance, contact our business office Monday through Friday 8 a.m. to 5 p.m. at 800.446.2031.