

DESCRIPTION AND JUSTIFICATION
John Staurulakis, Inc. Tariff F.C.C. No. 1
Transmittal No. 151
May 5, 2010

Comporium Companies:

Rock Hill Telephone Company d/b/a Comporium Communications, SAC 240542
Lancaster Telephone Company d/b/a Comporium Communications, SAC 240531
Fort Mill Telephone Company d/b/a Comporium Communications, SAC 240521

John Staurulakis, Inc. (“JSI”) hereby provides description and justification (“D&J”) for JSI Transmittal No. 151 on behalf of the issuing carriers listed above. The issuing carriers listed above are operating subsidiaries of Comporium Communications, Inc. (hereinafter individually “Company” or collectively “Companies”). The Companies operate in South Carolina.

This filing proposes introduction by the Companies of 10 Gig-E Multi-Megabit Ethernet Transmission Service (“METS”) under existing METS regulations in JSI Tariff F.C.C. No. 1. The Comporium Companies are the only issuing carriers offering services under the METS regulations. Currently, the Comporium Companies offer METS at 10 Megabits per second (“Mbps”), 20 Mbps, 50 Mbps, 100 Mbps, 500 Mbps and 1 Billion bits per second (1 Gigabit per second or “1 GIG”).

Additionally, this filing proposes addition of regulations for METS Virtual Local Area Network (“VLAN”) Service through use of Virtual Private Networks (“VPN”) functions in order to support introduction by the Companies of rates for VLAN Service also in this filing. A VLAN is a group of hosts with a common set of requirements that communicate as if they were attached to the same broadcast domain, regardless of their physical location. Network reconfiguration can be done through software instead of physically relocating devices.

The Companies file pursuant to Section 61.38 of the Commission’s rules, accordingly, provide cost support in the form of the following exhibits supporting rates for METS 10 Gig E and VLAN Service.

Exhibit A.1	Revenue Impact Summary: Rock Hill Company (“RHTC”); Fort Mill Company (“FMTC”); Lancaster Company (“LTC”).
Exhibit A.2, Page 1	METS 10 GIG Summary of Proposed Rates and Projected Annual Revenue for RHTC
Exhibit A.2, Page 2	METS 10 GIG Summary of Proposed Rates and Projected Annual Revenue for FMTC
Exhibit A.2, Page 3	METS 10 GIG Summary of Proposed Rates and Projected Annual Revenue for LTC
Exhibit A.3	METS 10 GIG Customer Designated Premises Interface (“CDPI”) Rate Development
Exhibit A.4	METS 10 GIGE Internet Service Provider (“ISPI”) Rate Development
Exhibit A.5	METS 10 GIGE Meet Point Interface (“MPI”) Rate Development
Exhibit A.6	10 GIG E Customer Designated Premises Interface (“CDPI”) Cost of Service Development
Exhibit A.7	VLAN Non-Recurring Charge Cost of Service Development

METS Rate Elements for New METS 10 Gig E Service

METS Customer Designated Premises Interface (“CDPI”)

The METS Customer Designated Premises Interface (“CDPI”) rate element is for a standard Ethernet defined interface between the customer designated premises (“CDP”) and the Company serving wire center (“SWC”) at which the Ethernet switch or router is located. Standard Ethernet signaling protocols provided by the Company shall apply to the interface. The CDPI rate element includes termination at both the CDP and the SWC, the facility from the CDP to the SWC, port access to the Ethernet switch and the Ethernet switch.

CDPI equipment and facilities requirements include both network card and terminal equipment at the SWC and facilities between the SWC and the CDP. Because the fiber facilities to be used for METS 10 Gig E comprises mostly embedded plant and because of the averaging effects for Part 36 Jurisdictional Separations and Part 69 Interstate Access revenue requirement determinations, the Company has based its proposed 10 Gig E CDPI rates on application of the ratio for the AT&T Southeast (BellSouth) 10 Gig E “Local Channel” to the AT&T Southeast 1.25 Gbps Local Channel rate.

Based on JSI’s research, neither National Exchange Carrier Association, Inc. Tariff F.C.C. No. 5 nor any other interstate access tariff for a rate-of-return carrier currently has a 10 Gig E offering. Thus, the Company looked to BellSouth for comparison. As BellSouth and other Price Cap Carriers generally provide interstate Ethernet services subject to Commission forbearance, the Company used the BellSouth Telecommunications, Inc., South Carolina Private Line Price List to obtain Ethernet rates for comparison.

The BellSouth comparison and application of the BellSouth 10 Gig E Local Channel to 1.25 Gbps Local Channel ratio used to develop the proposed Comporium CDPI rates are presented at **Exhibit A.3, METS 10 GIG Customer Designated Premises Interface (CDPI) Rate Development.**

Because the Company will have to purchase and install new Ethernet cards and terminal equipment for the provisioning of METS CDPIs, the Company has cost information on that component. For purposes of analyzing the relationship of costs to proposed rates developed under the ratio method discussed above, notwithstanding the uncertainty regarding facilities cost, the Company had prepared and included **Exhibit A.6, 10 GIG E Customer Designated Premises Interface (CDPI) Cost of Service Development.**

METS Internet Service Provider Interface (“ISPI”)

The Internet Service Provider Interface (“ISPI”) rate element is for a standard Ethernet defined interface between the SWC Ethernet switch and an ISP with a presence in the

SWC. ISP presence in the SWC may be either through local facilities for an ISP physically located in the Company's local exchange service area or through an interexchange carrier with an existing connection for an ISP not located in the Company's local exchange service area. Standard Ethernet signaling protocols provided by the Company shall apply to the interface. The ISPI rate element includes termination at both the network side of the Company Ethernet switch and the connection to the ISP's existing connection.

The Company has based the proposed METS 10 Gig E ISPI rates on first the ratio of the existing ISPI 1 Gig MPI to 1 Gig CDPI rate for the Company and, in turn, the ratio of the proposed 10 Gig E CDPI Rate to the existing 1 Gig CDPI Rate. The calculations and proposed rates can be seen at **Exhibit A.4, METS 10 GIGE Internet Service Provider ("ISPI") Rate Development.**

METS Meet Point Interface ("MPI)

The METS Meet Point Interface (MPI) rate element is for a standard Ethernet defined interface between the SWC Ethernet switch and either a Customer Designated Location ("CDL) outside the Company's serving area or an ISP, through a circuit jointly provided by the Company and another carrier.

The Company has based the proposed METS 10 Gig E MPI rates on first the ratio of the existing MPI 1 Gig MPI to 1 Gig CDPI rate for the Company and, in turn, the ratio of the proposed 10 Gig E CDPI Rate to the existing 1 Gig CDPI Rate. The calculations and proposed rates can be seen at **Exhibit A.5, METS 10 GIGE Meet Point Interface (MPI) Rate Development.**

METS VLAN Non-Recurring Charge Cost of Service Development

In order to establish a METS Virtual Local Area Network ("VLAN"), the Customer must already have CDPI or MPI service. The establishment of the VLAN connection for an individual CDPI or MPI requires one time activity by the Company. Thus, the Company proposes introduction of a METS VLAN nonrecurring charge ("NRC"). The proposed METS VLAN NRC development is shown at **Exhibit A.7, VLAN Non-Recurring Charge Cost of Service Development.**

Analysis of Proposed Rates

METS Filing Revenue Impact Analysis

Projected demand for METS 10 Gig E Service and METS VLAN Service would produce \$102,396 in annual Special Access Revenue for Rock Hill Telephone Company, equal to 2.8 percent of the 2008 level of Special Access Revenue for Rock Hill Telephone Company of \$3,612,000.

Currently, there is no demand for METS 10 Gig E or VLAN Service for either Fort Mill Telephone Company or Lancaster Telephone Company. However, the Company elects to proceed with introducing tariffed rates for these Companies in order to attract future demand and accommodate potential customer needs.

The rates proposed in this filing for METS will be subject to any overall Special Access July 1, 2010 to June 30, 2011 Test Year Cost of Service and projected demand impact on the overall percentage shift in rates for July 1, 2010 as will be proposed in the mandatory annual filing on June 16, 2010.