

**DESCRIPTION AND JUSTIFICATION**  
**John Staurulakis, Inc. Tariff F.C.C. No. 1**  
**Transmittal No. 165**

**Skyline Telephone Membership Corporation, SAC 230501 (North Carolina)**

Skyline Telephone Membership Corporation, (alternatively “Skyline” or “Company”), through its consultant John Staurulakis, Inc. (“JSI”) hereby provides a Description and Justification for its filing under Transmittal No. 165 of the John Staurulakis, Inc. Tariff F.C.C. No. 1 (“JSI Tariff”). The Skyline Study Area is located in North Carolina. Skyline is an Issuing Carrier of the JSI Tariff. Skyline files interstate access rates on an historic basis pursuant to Section 61.39 of the Commission’s rules. The filing is made in accordance with the Commission’s March 28, 2012 release entitled In the Matter of July 3, 2012 Annual Access Charge Tariff Filings, WCB/Pricing File No. 12-07, Order, DA 12-482.

**1. DESCRIPTION OF FILING**

JSI Tariff F.C.C. No. 1 governs the provision by Skyline of interstate Switched Access, Special Access and Miscellaneous and Public Packet Data Network services and, beginning July 3, 2012, the Access Recovery Charge (“ARC”). With respect to Common Line, Skyline is a member of the National Exchange Carrier Association, Inc. (“NECA”) Common Line Pool and accordingly bills End User Common Line (“EUCL”) charges pursuant to NECA Tariff FCC No. 5 notwithstanding being an issuing carrier for JSI Tariff FCC No. 1.

As a Section 61.39 historic filer, Skyline makes mandatory biennial annual filings in odd-numbered years. As Skyline elects to file an ARC pursuant to Section 51.917(e), and a Connect America Fund (“CAF”) election pursuant to Section 51.917(f) the Company is making the filing described herein in what is otherwise a non-mandatory filing year. The Company is not proposing to revise any other interstate access rates as part of this filing.

This summary together with the accompanying revised tariff material has been filed by JSI on behalf of Skyline in order to comply with the rules and regulations of the Federal Communications Commission (“Commission”) adopted in its *USF/ICC Transformation Order* respecting introduction of ARC. *See Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, FCC-11-161 (Rel. November 18, 2011), (*USF/ICC Transformation Order*), pets. for review pending, *Direct Commc’ns Cedar Valley, LLC v FCC, No. 11-9581* (10th Cir. Filed Dec. 18, 2011) (and consolidated cases).

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Consistent with the requirements of Section 51.909(a)(1) adopted by the Commission in the *USF/ICC Transformation Order*, no changes are proposed with respect to rate elements for services contained in the definitions of End Office Access Service, Tandem Switched Transport Access Service, and Dedicated Transport Access Service, as well as all other interstate switched access rate elements, in its interstate switched access tariffs at the rate that was in effect on December 29, 2011. See 47 C.F.R. § 51.909(a)(1).

The proposed revisions to the JSI Tariff to add regulations at Section 13.16, Access Recovery Charge and ARC rates for Skyline at Section 17.4.4(N), Access Recovery Charge are being filed under this transmittal.

**2. ARC and CAF ELECTIONS PURSUANT to USF/ICC TRANSFORMATION ORDER**

The Company's elections for the ARC and CAF participation are provided at Attachment 1. The ARC election is being made pursuant to Section 51.917(e), and the CAF election is being made pursuant to Section 51.917(f) of the Commission's rules.

**3. ACCESS RECOVERY CHARGE ("ARC") FILING  
EFFECTIVE JULY 3, 2012**

Under 47 CFR 51.917(e), Skyline is filing an initial Access Recovery Charge ("ARC") effective July 3, 2012 at the maximum rate of \$0.50 per month for each line other than lines of Lifeline Customers assessed a primary residential or single-line business end user common line charge pursuant to 47 CFR § 69.104 and \$1.00 per month for each multi-line business end user common line charge assessed pursuant to 47 CFR § 69.104 for the initial implementation period of the ARC which ends June 30, 2013.

Under this transmittal, JSI is proposing addition of ARC regulations to JSI Tariff FCC No. 1 at Section 13.16.

Skyline's proposed ARC rates are being added to Skyline's JSI Tariff rate section at Section 17.4.4(N).

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**4. SUMMARY OF SKYLINE TRP FORMS**

| MS Excel File Name from FCC WCB PPD            | Content   |
|--|---|
| <b>Skyline RoR-ILEC-ICC-data-4.18.12.xlsx</b>  | <u>Four Tabs</u><br>2012 Eligible Recovery Summary<br>2012 RoR ILEC Interstate Rates<br>2012 RoR ILEC Intrastate Rates<br>2012 RoR ILEC Recip. Comp Rates |
| <b>Skyline Tariff-Rate-Comparison_CAF.xlsm</b> | <u>Three Tabs</u><br>Data Sheet<br>Tariff Rate Comparison<br>Footnotes  |

**5. CERTIFICATIONS ACCOMPANYING TRANSMITTAL**

- **Certification of Designation of JSI as Carrier Agent, signed by Company Officer.**
- **Certification of Officer as to Accuracy of the CAF ICC Data Reported**
- **Certification by Officer that Company is Eligible Recovery §51.917(d) and Access Recovery Charge §51.917(e) and is eligible to receive the CAF ICC support requested pursuant to §51.917(f).**
- **Certification by Officer that Reporting Carrier is not Seeking Duplicative Recovery in the State Jurisdiction for any Eligible Recovery**