

***DESCRIPTION AND JUSTIFICATION***

The filing made on June 16, 2014, to be effective July 1, 2014, begins the transition of interstate switched access rates to a composite rate of \$0.005 pursuant to 47 CFR § 51.909(d), and increases the Access Recovery Charge (ARC) for Smithville Communications, Inc. (Smithville) to the maximum allowable pursuant to 47 CFR §51.917(e).

This Tariff is issued pursuant to 47 CFR §61.39, and as such, no annual tariff filing is required in 2014. In addition to the revised tariff pages listed in the Transmittal Letter, Smithville is also providing information pursuant to the Wireline Competition Bureau's (Bureau) Orders in WC Docket No. 14-48, dated March 25, 2014 (DA 14-404) and April 14, 2014 (DA 14-494).

Pursuant to 47 CFR § 51.909(d), Smithville has established separate originating and terminating interstate end office access service rate elements, and calculated its 2014 interstate target composite terminating end office access rate, which equals \$0.005 per minute plus two-thirds of any difference between the 2011 baseline composite terminating end office access rate and \$0.005 per minute. The rate revisions reflected herein result in a composite rate no higher than Smithville's target composite rate. All non-end office rates were capped pursuant to 47 CFR §51.909(a)(1) as of December 29, 2011 and reflect no revisions in this transmittal.

Smithville is including the material to be provided in support of 2014 annual access tariff filings, pursuant to the Bureau Orders listed above. This information includes the following Tariff Review Plan (TRP) schedules promulgated by the Bureau: (1) 2014 Rate Ceiling CAF for FCC, (2) RoR-ILEC-ICC, (3) 2014 Tariff Rate Comp CAF, and (4) 2014 True Up.

The information contained in the above-listed schedules constitutes the data necessary to establish Smithville's ARC rates and projected eligibility for CAF ICC funding during the upcoming funding period, as required by 47 CFR 54.304(d)(1) and pursuant to 47 CFR 51.917.

Smithville, also via Transmittal No. 23, provides the following required certifications:

- 47 CFR 51.917(f)(3) - A Rate-of-Return Carrier that elects to receive CAF ICC support must certify with its annual access tariff filings that it has complied with paragraphs (d) and (e), and, after doing so, is eligible to receive the CAF ICC support requested pursuant to paragraph (f) of this section.
- 47 CFR 51.917(d)(vii) - A Rate-of-Return Carrier seeking revenue recovery must annually certify as part of its tariff filings to the Commission and to the relevant state commission that the carrier is not seeking duplicative recovery in the state jurisdiction for any Eligible Recovery subject to the recovery mechanism.
- Pursuant to DA 14-494, Smithville is required to certify that their historical and forecast data used in the annual tariff filing are accurate.