

Frontier Telephone Companies
Tariffs FCC Nos. 1, 2, 3, 4, 5, 6, and 10
Description and Justification
Transmittal No. 52
September 16, 2014

1. Introduction

Frontier Telephone Companies ("Frontier") submits herewith its Description and Justification ("D&J") in support of changes to its Access Tariffs made under Transmittal No. 52. This filing is made on behalf of the exchange carriers issuing Frontier Telephone Companies Tariffs FCC Nos. 1, 2, 3, 4, 5, 6, and 10.

2. USF Recovery Charge and FUSF Surcharge

On September 11, 2014, the Commission released a *Public Notice*, Proposed Fourth Quarter 2014 Universal Service Contribution Factor, DA 14-1315 ("*4Q14 USF Notice*"). The *4Q14 USF Notice* proposes a universal service contribution factor of 16.1% for the fourth quarter of 2014. In this filing, Frontier changes its USF Recovery Charge¹ rate element for Tariffs FCC Nos. 1, 2, 3, 4, 5, 6, and 10 to 16.1% in keeping with the change in the underlying contribution factor.

¹ This rate element is called "Universal Service Fund (USF) Recovery Charge" in Tariffs FCC Nos. 1, 2, and 3; "Federal Universal Service Fund (FUSF) Surcharge" in Tariffs FCC Nos. 4, 5, and 6; and "Federal Universal Service Charge (FUSC)" in Tariff FCC No. 10.

3. Other Changes

Frontier has had some discussions with the Oregon Public Utility Commission Staff about the calculation of the rate ceiling for ARC rates. Staff's opinion is that Frontier should have included a charge specific to Oregon that Frontier believed was not properly included as a Rate Ceiling Component Charge. The impact of including this charge is to lower the residential ARC rate for six exchanges in Oregon. In this filing, Frontier lowers the residential ARC rate for those six exchanges in Tariff FCC 5. Because this is a rate decrease and the dollar impact is small, Frontier does not recompute ARC rates for the entire holding company.

Frontier also corrects the spelling of an exchange name in Tariff FCC 2.