

OZARK TELEPHONE COMPANY

Tariff F.C.C. No. 1

Transmittal No. 8

June 16, 2016

DESCRIPTION AND JUSTIFICATION

A. Introduction

Ozark Telephone Company (SAC 421866) (hereinafter Ozark), hereby provides description and justification (D&J) for Transmittal No. 8.

B. Switched Access Recurring Rate Development

The FCC's USF/ICC Transformation Order requires that the terminating Local Switching rate be reduced to \$0.005. However, Ozark's current terminating Local Switching rate of \$0.003938 is already below the \$0.005 rate level. Consequently, Ozark will not be filing any switched access rate changes in this tariff filing.

C. Special Access Recurring Rate Development

Based on the FCC's Annual Tariff Filing Order, Released April 13, 2016, and the Rate of Return Reform Order, Released March 30, 2016, Ozark developed new special access rates based on the authorized 11% Rate of Return. Ozark used last year's special access rate development (see Attachment A) and restated the 2013 and 2014 Special Access Revenue Requirement amounts at the 11% Rate of Return. Using the average 2013 and 2014 demand units, Ozark reduced the appropriate special access rates to produce the revised revenue requirement amount.

D. Access Recovery Charge Rates

As specified in the 2016 Tariff Rate Comp CAF TRP worksheet, Ozark is increasing its Residential and Single Line Business ARC rates from \$2.00 to \$2.50. There is no change in the existing \$3.00 Multiline Business ARC rate.