

Gallatin River Communications, LLC
Tariff F.C.C. No. 1 (Access Service)

Description and Justification

Transmittal No. 1

Issued: June 16, 2000

Effective: July 1, 2000

If approved, this filing will create a new interstate traffic sensitive access tariff for GRC that contains by reference the same terms and conditions as the NECA tariff in which they currently are an issuing carrier. GRC will set rates that differ from and are generally lower than those previously billed under the NECA tariff.

In order to operate in a competitive marketplace and to set rates at their true costs, GRC has opted to file its own traffic sensitive interstate access tariff under section 61.39 of the Commission's rules. As required by those rules, GRC has attached full cost support with this filing. The details of those attachments will be discussed in the cost support document also attached to this filing. This filing will not effect GRC's participation in the NECA common line pool.

Rule Waivers

Maintaining exactly the same terms and conditions was accomplished by directly referencing the NECA tariff F.C.C. No. 5. For this purpose, GRC was granted a waiver of Section 61.74 of the Commission's rules to allow it to file a tariff that references another tariff. Since this is a new tariff, GRC also sought and was granted a waiver of 61.54(i) of the Commission's rules to omit a portion of the coding. Since the terms and conditions have not changed, no coding has been included in the language of this tariff filing. Since the rate levels will change, they have been coded as increases or decreases as appropriate. Both of these waivers were granted under special permission number 00-0024. This waiver was granted for six months after which time, GRC will file a revised tariff containing more extensive language and eliminating references to NECA's terms and conditions.

Differences from Current Ruling Tariff:

The list below describes minor differences between GRC's tariff and NECA Tariff F.C.C. No. 5 (Access Service):

- GRC's tariff contains the check sheet as the first page because it is an inventory of the tariff.
- GRC's tariff does not contain a list of Issuing carriers since it is a single company tariff.
- GRC's tariff does not contain an index or user's guide; it only references NECA.
- Section 1 of GRC's tariff discusses the reference to NECA's tariff.
- Section 14 of NECA's tariff contains exceptions to Access Service Offerings. GRC's tariff has reserved this section for future use. If GRC wishes to make any exceptions to its reference to NECA's tariff in the future, exceptions will be listed here.

Demand:

GRC has existed as a single entity only since November 1999. Conversion to new systems further complicated the gathering of reliable billing information. GRC gathered demand volumes directly from Carrier Access Billing System (CABS) invoices for 1999. To forecast growth, GRC used a line growth plus stimulation methodology. This method assumes that access will grow by 5% without any growth in lines because of stimulation from interexchange carrier (IXC) marketing efforts. GRC projects a 4% growth in access lines and by adding line growth to the 5% stimulation factor, gets a 9% growth in access minutes of use (MOUs). In the first quarter of 1999, GRC received percent interstate usage (PIU) updates from a major IXC. This further increased interstate usage. For this filing, GRC used the following minute of use growth factors:

	2000	2001
Access Line Growth	4%	4%
Stimulation	5%	5%
PIU Change	<u>5%</u>	<u>0%</u>
Total Growth Factor	14%	9%

Application & Coverage:

This tariff governs the provision by GRC of interstate switched access, special access and Miscellaneous Services. GRC will continue to bill both interstate end user common line and carrier common line services out of the NECA tariff F.C.C. No. 5 (Access Service) and participate in the NECA common line pools.

Rate Development:

Special Access rates were developed to recover the full revenue requirement while maintaining the same rate relationship as the current NECA tariff. Direct Trunk Transport (DTT) rates mirror special access rates. Tandem switched transport rates were developed using DTT costs and average minutes per month per circuit. Attachment 9 shows both the current and proposed rates along with projected volumes.

Certification:

Attachment 10 contains a certification of the accuracy of this filing.