

CONTOOCOOK VALLEY TELEPHONE COMPANY, INC.
INTERSTATE ACCESS TARIFF REVISIONS
January 1, 2002

DESCRIPTION AND JUSTIFICATION

Contoocook Valley Telephone Company, Inc. (CVTC) submits the accompanying access tariff revisions to its Access Service Tariff FCC No. 1. Their purpose is to revise its traffic sensitive switched access rates pursuant to the requirements of the MAG Order (Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, *Second Report and Order and Further Notice of Proposed Rulemaking*, FCC 01-304, released November 8, 2001).

Because CVTC is still a member of the National Exchange Carrier Association's (NECA's) Common Line pool, the cost shift information has been coordinated with NECA.

Access Rates

The MAG Order requires all incumbent local exchange carriers operating under rate-of-return regulation to adjust their access rates for the following:

- Beginning January 1, 2002, line-side port costs shall be assigned to the Common Line rate element. Non-price cap local exchange carriers may use thirty percent of the interstate Local Switching revenue requirement as a proxy for allocating line port costs to the Common Line category.
- Effective January 1, 2002, incumbent local exchange carriers may not assess a transport interconnection charge (TIC) expressed in dollars and cents per access minute upon interexchange carriers or upon other persons using their switched access network.
- In addition to the removal of the TIC, revenues from the TIC must be reallocated to other access elements. The total revenues reallocated from the TIC to other access categories are limited to the total revenues recovered through the TIC for the 12-month period ending June 30, 2001.

Line-side Port Costs

CVTC has used the Commission's 30 percent proxy factor to assign \$303,441 of its revenue requirement from local switching to common line.

TIC

CVTC has assigned \$184,920 of its revenue requirement from the transport interconnection charge to common line.

Demand

This filing is revenue neutral and all calculations are based on the demand data used in the last bi-annual access tariff filing made by CVTC.