

December 27, 2001

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

RE: Reply to December 24, 2001, Petition of AT&T Corporation
to Suspend and Investigate Access Tariff Filing
JSI FCC Tariff No. 1 Transmittal #63

Dear Ms. Salas:

On December 17, 2001 John Staurulakis, Inc. FRN 0003-7481-42 (JSI) filed revised interstate access charge rates for all issuing carriers (see Attachment 1 for list of FRNs) of the JSI Tariff F.C.C. No. 1 in accordance with the Commission's MAG Order released on November 26, 2001 (Transmittal No. 63). The revised rates are to go into effect on January 1, 2002. On December 24, 2001, AT&T Corporation (AT&T) filed a petition with the Commission seeking to suspend and investigate the filing made on behalf of a number of the issuing carriers of the JSI Tariff. The only complaint put forth by AT&T against the affected issuing carriers is the manner in which the applicable percentage of line port costs formerly included in the local switching category was applied.

In Exhibit 3 of the AT&T petition, a list of the JSI issuing carriers and the impact of AT&T's interpretation of the "other adjustments" on each carrier's local switching rate is shown. For eight of the JSI issuing carriers, there is no impact on the local switching rate as a result of AT&T's interpretation. The eight issuing carriers are: Interstate Telephone Company (GA), Rock Hill Telephone Company (SC), Coastal Utilities (GA), Concord Telephone Company (NC), Farmers Telephone Cooperative, Inc. (SC), Fort Bend Telephone Company (TX), Millington Telephone Company (TN), and Pineland Telephone Cooperative, Inc. (GA). For the remaining issuing carriers listed on Exhibit 3 of the AT&T petition, the impact of AT&T's interpretation of the "other adjustments" on the local switching rate range from a decrease of \$0.0001 to \$0.0003 per minute.

In the petition, AT&T claims that in arriving at the appropriate amount of line side port costs to be assigned to the common line category as addressed in the MAG Order, JSI improperly removed "other adjustments" from the local switching revenue requirement before application of the 30 percent proxy or actual company-specific factor. The AT&T petition does not call into dispute the reduction in the local switching revenue requirement by the amount of "other adjustments", only at what point the proxy or company-specific factor is applied. In response to

the petition filed, JSI maintains that removal of “other adjustments” from the local switching revenue requirement *before* application of the appropriate factor is consistent with how the local switching rate for each issuing carrier was developed in prior filings. Moreover, the financial impact of AT&T’s argument on the local switching rates of the affected issuing carriers is insignificant and as such, should not be considered by the Commission.

The “other adjustments” for each issuing carrier represent amounts associated with the costs of traffic sensitive switched related miscellaneous and non-recurring activities such as the presubscription (PIC change) charge, access order charge, access service change charge and other such functions for which rates have been developed and filed in the the JSI Tariff F.C.C. No. 1. The PIC change charge represents the majority of the other adjustment amount for each JSI issuing carrier. Since the costs associated with the PIC change and other functions identified above are traffic sensitive (switched) in nature, they are removed from an issuing carrier’s total local switching costs before development of the local switching rate. Failure to do so would result in double-recovery of these costs from the local switching rate.

As such, JSI maintains that the amount shown as “other adjustments” was correctly applied to reduce an issuing carrier’s local switching costs before application of the appropriate proxy factor. Moreover, JSI maintains that reducing local switching costs by the amount of “other adjustments” that, as described above represent local switching related costs recovered via other rate elements before application of the proxy factor is consistent with the requirements set forth in the MAG Order.

JSI respectfully requests that the Commission reject the arguments put forth in the AT&T petition and allow the rates calculated pursuant to Transmittal No. 63 to go into effect on January 1, 2002, as filed.

Sincerely,

Emmanuel Staurulakis
President - JSI
mstaurulakis@jsitel.com

cc: Donald Bourgo – AT&T Corporation

Attachment 1

FRN for Issuing Carriers of JSI Tariff F.C.C. No. 1

Company Name	Carrier Common Line Access Rates	End User Rates	Traffic Sensitive Rates	Filing Rules	FRN
Atlantic Telephone Membership Corp. (NC)			X	61.39	0004- 0615-86
Coastal Communications (GA)			X	61.38	0004- 3336-88
Concord Telephone Company (NC)		X	X	61.38	0003- 7620-10
Farmers Telephone Cooperative, Inc. (SC)			X	61.38	0001- 8870-25
Fort Bend Telephone Company (TX)			X	61.38	0001- 6880-27
Fort Mill Telephone Co. (SC)			X	61.38	0001- 8896-17
Guadalupe Valley Telephone Coop. (TX)			X	61.39	0004- 2514-19
Hargray Telephone Co. (SC)			X	61.38	0001- 8867-04
Home Telephone Co. (SC)			X	61.38	0001- 8868-45
Horry Telephone Cooperative, Inc. (SC)			X	61.38	0001- 8869-44
Interstate Telephone Co. (GA)	X	X	X	61.39	0003- 7335-81
Lancaster Telephone Co. (SC)			X	61.38	0001- 8892-45
Millington Telephone Co. (TN)			X	61.39	0004- 3095-48
Mount Horeb Telephone Co. (WI)			X	61.39	0002- 7190-45
Pineland Telephone Cooperative, Inc. (GA)			X	61.39	0001- 8566-73
Rock Hill Telephone Co. (SC)			X	61.38	0001- 8887-18
Star Telephone Membership Corp. (NC)			X	61.39	0001- 9609-62
Taconic Telephone Corp. (NY)			X	61.38	0003- 4552-76
Warwick Valley Tel. Co.	X	X	X	61.38	0005-

(NY & NJ)					5691-99
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