

Citizens Telecommunications Companies
TARIFF F.C.C. NO. 1
DESCRIPTION AND JUSTIFICATION
TRANSMITTAL NO. 132
January 3, 2003

Citizens Telecommunications Companies ("Citizens") submits herewith its Description and Justification ("D&J") in support of changes to its Tariff F.C.C. No. 1 filed under Transmittal No. 132, pursuant to sections 61.41 through 61.49 of the Commission's rules and relevant Commission orders.

In this Transmittal, Citizens changes terms and conditions for some of its ADSL Channel service offerings; introduces a new class of ADSL Channel service; and creates a limited time promotional offering for ADSL Channel service.

Citizens plans to increase the peak downstream speed of its ADSL Channel, Class R2 service from 384 Kbps to 1.0 Mbps throughout its network; however, it is not possible to make this increase simultaneously in all places. In this filing, Citizens increases the peak speed for ADSL Channel, Class R2 service from 384 Kbps to 1.0 Mbps in additional operating areas. The actual peak speed offered will be dependent on the equipment and facilities Citizens has available in the customer's area.

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Citizens introduces ADSL Channel, Class R7 as a new service offering for CTC of Tennessee and CTC of the Volunteer State. ADSL Channel, Class R7 is similar to other ADSL Channel offerings, but has a peak upstream speed of 756 Kbps and a peak downstream speed of 256 Kbps. Cost support information submitted with Transmittal No. 116 applies to this rate reduction and is incorporated in this filing by reference.

Citizens creates a limited time promotional offering of ADSL Channel Class R1 and ADSL Channel Class R7 services for CTC of Tennessee and CTC of the Volunteer State. For orders placed from January 20, 2003 through February 18, 2003, customers will receive the first and twelfth months of service at no charge. To receive the twelfth month of service at no charge, the customer must retain the service for at least twelve months. Citizens expects to sell approximately 350 additional monthly ADSL Channels and will receive an additional \$5300 of ADSL revenue for the first twelve months following the effective date of this promotion. There are no complementary or cross-elastic revenue impacts expected as a result of this promotion.