

DESCRIPTION AND JUSTIFICATION
John Staurulakis, Inc. Tariff F.C.C. No. 1
Transmittal No. 84
Warwick Valley Telephone Company, Inc. (NY and NJ)
FRN #0005-5691-99

Warwick Valley Telephone Company, Inc. (Warwick Valley) hereby provides a Description and Justification for its individual rates proposed under Transmittal No. 84 of the John Staurulakis, Inc. Tariff F.C.C. No. 1 (JSI Tariff). Warwick Valley is an Issuing Carrier of the JSI Tariff.

Description of Filing

The accompanying revised tariff material is being filed by John Staurulakis, Inc. (JSI) on behalf of Warwick Valley Telephone Company (Warwick Valley), operating in the states of New York and New Jersey. The JSI Tariff F.C.C. No. 1 governs the provision by Warwick Valley of Switched Access, Special Access, Miscellaneous Services, Carrier Common Line (CCL) and End User Common Line (EUCL). The instant filing revises Warwick Valley's Federal Universal Service Charge (FUSC) in order to reflect the proposed 9.5% Universal Service Fund Contribution Factor, see Federal-State Joint Board on Universal Service, CC Docket No. 96-46, Public Notice, DA 03-1909, released June 6, 2003.

On June 17, 2002 Warwick Valley filed rates for switched access, special access and miscellaneous services effective July 2, 2002 in its 2002 biennial filing pursuant to Section 61.38 of the Commission's rules. This filing does not propose modification to any rates other than the FUSC charges and factor.

With respect to compliance with changes mandated by the *Rate-of-Return Access Charge Reform Order*, Warwick Valley's CCL rate is already at \$0.00 and its Residential, Single-Line Business and Multi-Line Business EUCL rates are currently all set at \$5.98 based on the July 2, 2002 annual filing. See Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, CC Docket No. 00-256, Second Report and Order and Further Notice of Proposed Rulemaking, 16 FCC Rcd 19613 (2001) (*Rate-of-Return Access Charge Reform Order*). In this filing, the CCL rate element, although currently set at \$0.00, is being eliminated from Warwick Valley's rate section.

Justification for Cost Support and Rate Development

Because Warwick Valley is not required to make an annual filing for July 1, 2003 under Section 61.38, and because Warwick Valley does not need to increase its EUCL rates in order to address the revised single-line cap of \$6.50, Warwick Valley is not filing a TRP or cost study data. However, Warwick Valley is providing Cost Support for its calculation of the revised FUSC rates effective July 1, 2003. See Attachment 1.