

Citizens Telecommunications Companies
Tariff F.C.C. No. 1
Description and Justification
Transmittal No. 145
February 13, 2004

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. 145, pursuant to sections 61.41 through 61.49 of the Commission's rules and relevant Commission orders. This filing is made on behalf of the exchange carriers issuing Citizens Tariff F.C.C. No. 1. In this tariff, five separate rate schedules are maintained. These rate schedules are referred to as Rate Group 1 through Rate Group 5, and correspond to the COSA codes CTC1 through CTC5. In this filing, Citizens is changing its rate schedules to add additional exchanges where Local Number Portability (LNP) is now available so that Citizens may recover the LNP investment and expenses. The recovery of these costs was provided for in the FCC's *Third Report and Order* in Docket CC No. 95-116, "In the Matter of Telephone Number Portability," released May 12, 1998.

Citizens recovers the allowable costs of implementing Local Number Portability through its LNP Surcharge rate element. This

Citizens Telecommunications Companies
Tariff F.C.C. No. 1
Description and Justification
Transmittal No. 145
February 13, 2004

rate element was developed in accordance with the Commission's Rules and Orders, using cost data for the total company. However, Citizens was only allowed to recover of these costs in exchanges that had received bona fide requests for LNP from competitors and where Citizens had implemented LNP in response to these requests.

On November 10, 2003, the Commission released a *Memorandum Opinion and Order* in Docket CC No. 95-116, "In the Matter of Telephone Number Portability", FCC 03-284 ("*Intermodal Porting Order*"). The *Intermodal Porting Order* generally required wireline LECs operating in the top 100 Metropolitan Statistical Areas (MSAs) to provide Local Number Portability for customers seeking to move their service to a wireless provider. The deadline for doing so was extended to May 24, 2004 for the Two Percent Carriers in a subsequent Order released January 16, 2004, in Docket CC No. 95-116, "In the Matter of Telephone Number Portability", FCC 04-12 ("*Two Percent Waiver Order*"). Citizens is a Two Percent

Citizens Telecommunications Companies
Tariff F.C.C. No. 1
Description and Justification
Transmittal No. 145
February 13, 2004

Carrier as defined by the Commission and intends to implement Local Number Portability by the required date for all of its exchanges in the Top 100 MSAs.

Most of the exchanges served by Citizens Utilities Rural Company are in the Las Vegas, Nevada MSA, which is among the top 100 MSAs. In order to implement Local Number Portability in the exchanges within this MSA, it was necessary to implement it for all switches operated by Citizens Utilities Rural Company. In this filing, Citizens extends the existing LNP Surcharge rates to the exchanges served by these switches and their remotes. The rates for LNP Surcharge are set at the level originally developed for recovery, and the five year cost recovery period is set to start on March 1, 2004.