

**IOWA TELECOMMUNICATIONS SERVICES, INC.  
D/B/A IOWA TELECOM  
REVISIONS TO TARIFF F.C.C. NO. 1  
TRANSMITTAL NO. 45  
MAY 27, 2004**

**DESCRIPTION AND JUSTIFICATION**

**ADSL PROMOTIONAL OFFERING**

Iowa Telecom's ADSL Promotional Offering

Iowa Telecom has implemented ADSL service in 75 exchanges in Iowa. As indicated in Iowa Telecom's Tariff F.C.C. No. 1, at Section 16.6(B) on page 16-44, ADSL is provided subject to the availability and limitation of Iowa Telecom's wire centers and outside plant facilities, so that ADSL is only available where technical capabilities permit.

Iowa Telecom's ADSL subscribers currently have a choice of five "service level packages," which are based on the upstream and downstream download speeds of the service. They are as follows:

<u>Package</u>	<u>Downstream Speed</u>	<u>Upstream Speed</u>
ADSL Basic	128 Kbps	64 Kbps
ADSL Plus	256 Kbps	128 Kbps
ADSL Performance	512 Kbps	256 Kbps
ADSL Performance Plus	768 Kbps	512 Kbps
ADSL Performance Max	1.0 Mbps	512 Kbps

In turn, these service level packages are currently offered to customers on a month-to-month basis, or by subscribing to one-year or three-year "fixed period" service commitments. The monthly charges for Iowa Telecom's ADSL services under these term commitments are in addition to the charge for Internet access:

<u>Package</u>	<u>Monthly</u>	<u>One Year</u>	<u>Three Years</u>
ADSL Basic	\$20	\$19	\$18
ADSL Plus	\$20	\$19	\$18
ADSL Performance	\$50	\$48	\$46
ADSL Performance Plus	\$80	\$77	\$74
ADSL Performance Max	\$120	\$115	\$110

A one-time, non-recurring charge of \$75.00 applies to each new subscription to an Iowa Telecom ADSL service package.

Iowa Telecom is proposing to extend its promotional offering through August 31, 2004 to stimulate additional demand in the exchanges where DSL is available to meet competitive pressures. The installation charge of \$75 will continue to be waived for end user customers that subscribe to any service level package. This promotion is available on service orders placed during the promotional period, with service scheduled to begin within 15 days of the order date.

It is anticipated that the demand for DSL service level packages as a result of this promotion will increase as follows: 0 ADSL Basic, 40 ADSL Plus, 60 ADSL Performance, 50 ADSL Performance Plus, and 0 ADSL Performance Max. Iowa Telecom expects a total increase in revenue of approximately \$69,540 annualized.