

Description and Justification

South Central Rural Telephone Cooperative (SCRTC) is filing its own access charge tariff with the FCC for the first time. The tariff filing is made on a historical basis using 2003 financial and usage data. SCRTC has frozen both the category and allocation factors, causing very little change in its revenue requirement by service with changes in its plant configuration.

SCRTC has increased its usage of DSL service 32 percent from year end 2003 to the end of May 2004. SCRTC has used the May 2004 figure for DSL service for its usage in developing the rates for the following reasons:

1. as the revenue requirement will change little if at all with the investment caused by the new subscribers;
2. SCRTC expects its DSL service to increase even more through out 2004;
3. SCRTC desires a lower DSL rate; and
4. the Commission desire a lower DSL rate so the company will not overearn significantly.

Should SCRTC need a waiver for the usage of the higher usage to lower the rates please let us know and we will file such a waiver.