

DESCRIPTION AND JUSTIFICATION
John Staurulakis, Inc. Tariff F.C.C. No. 1
Transmittal No. 96
Concord Telephone Company (CTC) (NC)
FRN #0003-7620-10

Concord Telephone Company (CTC), through its consultant John Staurulakis, Inc. (JSI) hereby provides a Description and Justification for its individual rates proposed under Transmittal No. 96 of the John Staurulakis, Inc. Tariff F.C.C. No. 1 (JSI Tariff). CTC is an Issuing Carrier of the JSI Tariff.

Description of Filing

The accompanying revised tariff material has been filed by JSI in order to comply with the rules and regulations of the Federal Communications Commission (Commission) with respect to annual access charge filings.

The JSI Tariff F.C.C. No. 1 governs the provision by CTC of interstate Switched Access, Special Access and Miscellaneous Services. Additionally, CTC files its Multiline End User Common Line (EUCL) rate in JSI Tariff No. 1. The instant filing revises CTC's rates for these services.

Justification for Cost Support and Rate Development

The entire cost support data associated with this filing is contained in one volume including the D&J and Attachments #1-9 included comprising this D&J document (Adobe Acrobat PDF). The Certification of the cost support data for this filing is shown in Attachment #10 included separately. All required Tariff Review Plan Schedules (TRP Schedules) are included with the cost support material in accordance with the Commission's April 19, 2004 release entitled In the Matter of Material to be Filed in Support of 2004 Annual Access Charge Tariff Filings, Tariff Review Plans, DA 04-1048 (2004 TRP Order), together with the June 10, 2004 release entitled In the Matter of Material to be Filed in Support of 2004 Annual Access Charge Tariff Filings, Tariff Review Plans, Errata, DA 04-1700 (2004 TRP Errata).

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In accordance with Section 61.38(b)(1)(ii) of the Commission's rules and regulations, a projection of CTC's costs has been made for the fiscal year ending June 30, 2005. The costs for the twelve (12) month period ending June 30, 2005 have been based on financial estimates and projections of CTC, and are summarized as follows:

Summary Development of Traffic Sensitive Revenue	
Requirement	Attachment #1
Part 69 - Access Charge Development	Attachment #2
Part 36 – Separations of Costs	Attachment #3
Unseparated Cost Information	Attachment #4

In accordance with Section 61.38(b)(1)(i) of the Commission's rules and regulations, attached is a cost of service study for the most recent twelve (12) month period ending December 31, 2003, identified as follows:

Summary Development of Traffic Sensitive Revenue	
Requirement	Attachment #5
Part 69 - Access Charge Development	Attachment #6
Part 36 – Separations of Costs.....	Attachment #7
Unseparated Cost Information.....	Attachment #8

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The total Traffic Sensitive Service revenues generated under this tariff are projected to be \$7,148,263, See Attachment #9. This amount represents a decrease of \$523,330 from the projected annual Traffic Sensitive Service revenues for the 2003 annual filing, \$6,216,528. Notwithstanding the decrease in the projected Traffic Sensitive Service revenue, the revised rates for Local Switching, 800 Data Base Queries and Tandem Switching, Tandem Switched Facility and Tandem Switched Termination reflect increases. These increases are offset by decreases in Direct Transport rates.

Following is a comparison of the projected interstate revenue requirements for the year ending June 30, 2005 compared with those included in the 2003 annual filing for the projected year ending June 30, 2003.

Comparison of Projected FY 6/2005 Revenue to Projected FY 6/2003 Revenue

Element	2003	2005	Change	% Change
Local Switching per Attach 9	1,708,467	1,258,399	(450,068)	-26.34%
Information per Attachment 9	142,115	94,312	(47,803)	-33.64%
Transport per Attachment 9	1,179,495	1,025,066	(154,429)	-13.09%
Subtotal Switched Access	3,030,077	2,377,777	(652,300)	-21.53%
Special Access	1,544,742	4,771,770	3,227,028	208.90%
Less DSL	-	2,075,118	2,075,118	
Special Access Net of DSL	1,544,742	2,696,652	1,151,910	74.57%
Total Interstate TS Rev Per Attach 9	4,574,819	7,149,547	2,574,728	56.28%
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Rounding	(556)	(1,284)		
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Revenue Requirement per Attach 9	4,574,263	7,148,263	2,574,000	56.27%
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Revenue Requirement per Attach 9	4,126,489	3,653,536	(472,953)	-11.46%