

**DESCRIPTION AND JUSTIFICATION
ILLINOIS CONSOLIDATED TELEPHONE COMPANY (ICTC)**

**Transmittal No. 124, Filed December 7, 2004
Withdrawal of Transmittal Number 123 Effective December 8, 2004
Effective Date of Transmittal No. 124, December 22, 2004**

Description

Material filed under Transmittal No. 123 is hereby withdrawn without going into effect, as of December 8, 2004, on one day's notice. This is being done under the authority of Special Permission No. 04-079.

The exact same material is being re-filed as Transmittal No. 124, with the effective date proposed being moved to December 22, 2004, which is exactly 15 days after the filing date of this material. This tariff is being filed to accomplish the following actions.

In §52.20 – 52.33, the Commission specified its requirements for deploying Local Number Portability (LNP) by the Incumbent Local Exchange Carriers (ILECs), as well as providing for recovery of direct costs and investment associated with LNP deployment. This filing implements §52.20 – 52.33 for ICTC in all of its Illinois exchanges (list below).

The demand for LNP capable access lines, queried calls, ISDN-PRI lines and PBX trunks was projected over five years. This was included in the attached LNP cost study. Forecasted demand units were projected to coincide with the designated 60-month cost recovery period: December 22, 2004 through December 21, 2009.

Costs provided by the company include switch upgrade investments required to support LNP capability and projected ongoing expenses over the five year period. LNP End User Charges were set to equate the present value of revenues to the present value of cost outlays.

The circuit switching costs used in the development of the LNP End User Charges are only those direct costs required to implement LNP. In identifying which of these LNP costs should be included in the rate, ICTC used two criteria to isolate LNP costs, based on the FCC guidelines: (1) the costs would not have been incurred by ICTC if number portability was not implemented, and (2) the costs were incurred “for the provision of “ number portability.

The Investment and Expenses associated with LNP were identified by the engineering, software and system employees at Illinois Consolidated Telephone Company (ICTC). Direct investments are a combination of actual amounts already expended plus quotes from vendors for the remaining work to be done. The total investment and expenses associated with LNP are allocated to two rate categories: End User and Database Query. It is anticipated that these rates will go into effect on December 22, 2004.

The direct investment and direct expenses are shown on the attached cost study. The LNP End User Charge rates resulting were \$0.30 for end users, \$2.66 for PBX trunks, and \$1.48 for ISDN-PRI customers. The query rate developed in the cost study was \$0.00319 per query.

The LNP Billing Charge is a nonrecurring charge required to set up any n-1 company's account to bill the LNP query charge. Consolidated utilized its Wholesale DSL Service Order Charge, found in Section 10.3 (E), for this rate since the associated tasks and timeline are essentially the same.

All appropriately equipped Consolidated Communications Company exchanges will receive LNP service and will be charged the end user charge. The list of exchanges receiving LNP service includes all ICTC exchanges in Illinois:

Arcola	Morrisonville
Arthur	Mount Auburn
Ashmore	Nokomis
Assumption	Oakland
Atwood	Owaneco
Blue Mound	Pana
Charleston	Raymond
Cowden	Shelbyville
Edinburg	Sigel
Effingham	Stewardson
Farmersville	Stonington
Gays	Strasburg
Hillsboro	Taylorville
Humboldt	Tower Hill
Irving	Westervelt
Kincaid	Windsor
Litchfield	Witt
Mattoon	

The tariff verbiage was adopted directly from the provisions of NECA Tariff FCC No. 5.

Two minor text corrections are also included with the tariff filing.

Justification

ICTC has incurred and will continue to incur daily query charges from n-1 carriers which transport non-identified numbers into ICTC's serving area. Additionally, ICTC is in the process of investing a significant amount into rolling out LNP in its exchanges. The value of LNP has been amply documented in FCC Orders, Rules, and other documents. This LNP roll-out is in the best interest of ICTC's customers and meets the goals of the Telecommunications Act of 1996. Furthermore, the Company deserves to recover its costs pursuant to §52.29 – 52.33.