

**IOWA TELECOMMUNICATIONS SERVICES, INC.
D/B/A IOWA TELECOM
REVISIONS TO TARIFF F.C.C. NO. 1
TRANSMITTAL NO. 49
March 11, 2005**

DESCRIPTION AND JUSTIFICATION

ADSL PERFORMANCE PLUS LIMITED PROMOTION

Iowa Telecom introduced DSL in 95 new exchanges in the last six months. DSL is now available in 220 exchanges. Iowa Telecom is proposing to extend the promotional offering to stimulate additional demand for the ADSL Performance Plus Service Level Package (768 Kbps) to meet competitive pressures in the exchanges where DSL is now available. Furthermore, Iowa Telecom anticipates introducing DSL in an additional 68 exchanges by July 1, 2005. During the period March 28, 2005 through September 27, 2005, a promotion will be offered to end user customers that subscribe to the ADSL Performance Plus service level package. The Performance Plus will be offered at a reduced monthly rate of \$30.00 for customers who sign a six month contract. The installation charge of \$75.00 will be waived for such customers.

Current customers subscribing to the ADSL Performance Plus at the standard tariff rate may take advantage of the promotion monthly rate of \$30.00. These customers will be required to sign a six month contract. If the customer is subscribing to their current service level package under a term agreement longer than six months, the customer will be required to maintain the longer term with the promotion amount.

Existing customers that upgrade from an ADSL Basic, Plus or Performance service level package to an ADSL Performance Plus service level package and agree to sign a six month contract will also receive the ADSL Performance Plus for a monthly rate of \$30.00. The \$6.00 software change charge to upgrade their service will be waived. The upgrade will be allowed provided the ADSL channel interface and the customer location remains the same. If the upgrading customer is subscribing to a current service level package under a term agreement longer than six months, the customer will be required to maintain the longer term to receive the promotion amount.

At the end of the six month contract period, the contract will automatically be renewed for another six month contract period for a monthly rate of \$30.00. If the customer requests the discontinuance of the ADSL Performance Plus service level package prior to the expiration date of the six month contract, termination liability charges will apply. The customer will be billed 50% of any remaining portion of the contract. 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 ADSL Performance Plus service level package as a result of this promotion will increase by 1,435. Iowa Telecom expects a total increase in revenue of approximately \$219,000 annualized.