

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
REVISIONS TO TARIFF F.C.C. NO. 5
DIGITAL SUBSCRIBER LINE ACCESS SERVICE
DISCOUNT PRICING ARRANGEMENT

Transmittal No. 1091

October 11, 2005

1: INTRODUCTION

The National Exchange Carrier Association, Inc. (NECA) proposes to revise its Tariff F.C.C. No. 5 for the Digital Subscriber Line (DSL) Discount Pricing Arrangement (DPA).

This filing addresses situations when a telephone company adds a new DSL-equipped serving wire center (SWC) to serve access lines already included in an existing DSL DPA Term Plan commitment. This filing also introduces a promotional waiver to be available to any DPA customer that has an existing DPA Term Plan commitment at a remote SWC.

2: PROPOSED TARIFF REVISIONS

NECA proposes to revise the DSL DPA Term Plan provisions as specified in Section 8.3.2 (E). Specifically, this new provision is related to a prospective network reconfiguration in which the telephone company adds a new DSL-equipped SWC to serve lines formerly served by another office at which the DPA customer had already made a DPA Term Plan commitment. The new provision will waive the monthly DPA Term Plan charge, which would otherwise be applicable, for the newly added remote office for the remainder of the existing term under the conditions specified. This revision will permit NECA tariff participants to make needed network configuration changes without penalizing DPA customers by requiring them to establish new Term Plan commitments with the associated monthly DPA Term Plan Charges.

In addition, NECA is proposing to introduce a promotional waiver as specified in Section 17.4.9(E)(1). This promotion will permit existing DPA customers that have existing Term Plan commitments at remote SWCs to opt for a new commitment of equal or greater length and equal or greater pricing option than the current commitment in exchange for a waiver of the monthly DPA Term Plan Charge for the first six months of the new commitment period. This provision would be available to any DPA customer that has an existing DPA Term Plan commitment at a remote SWC. This promotion is expected to stimulate longer term commitments, which in turn will allow the tariff participants to continue to support the FCC's broadband deployment objectives in small rural markets.

3: COST AND DEMAND DEVELOPMENT

Revenue Impact

To determine the revenue impact associated with the DSL DPA promotional offering revision described above,¹ NECA first calculated the total existing monthly DPA Term Plan revenues based

¹ NECA is unable to predict the number of network reconfigurations that may occur in the future that would benefit from the revision to the Term Plan provision.

on the sum of the DPA Term Plan revenue for Pricing Options 1 through 5 from NECA's 2005 Annual Filing.² NECA then estimated the total monthly DPA Term Plan revenues attributable to remote SWCs by calculating the proportion of access lines associated with remote SWCs and multiplying the total DPA Term Plan revenues by that percentage.

NECA is not able to calculate the number of DPA customers that will opt to take advantage of the revised DSL DPA Term Plan promotional offering provisions. However, using the total monthly DPA Term Plan revenues attributable to remote SWCs, NECA estimates the maximum amount of revenues that could be waived as a result of this promotional offering revision to be \$232,006 per month, or \$1,392,036 for the six month period.³ This estimate assumes that all DSL DPA revenue associated with the remote SWCs would be waived, which is very unlikely since it is anticipated that not all DPA customers will take advantage of the promotion. NECA will not seek to recover any revenue waived under this filing through any other charges.

² National Exchange Carrier Association, Inc. Tariff F.C.C. No. 5, Transmittal No. 1077, filed June 16, 2005.

³ These calculations are shown on Exhibit 1.

OCTOBER 11, 2005 NECA ACCESS CHARGE FILING
PROMOTIONAL WAIVER OF DSL DPA TERM PLAN CHARGES AT REMOTE SERVING WIRE CENTERS
ESTIMATED REVENUE WAIVER IMPACT

EXHIBIT 1

LINE NO.	DESCRIPTION	SOURCE	REVENUE
1	Total Monthly Term Plan Charge Revenue	Footnote 1	\$602,614
2	Proportion of Lines Associated with Remote Wire Centers	Footnote 2	38.50%
3	Monthly Term Plan Charge Revenue Attributed to Remote Wire Centers	Line 1 * Line 2	\$232,006
4	Estimated Maximum Revenue Waiver Impact ³	Line 3 * 6	\$1,392,036

¹ Sum of term plan charge revenue for Pricing Options 1 through 5, 2005 Annual Filing, VOL 5 EX 9 WP 10-11

² Analysis of remote wire centers in NECA FCC Tariff No. 4

³ Maximum revenue waiver impact assumes 100% of eligible DPA customers participate in the promotion.