

Citizens Telecommunications Companies
TARIFF F.C.C. NO. 1
DESCRIPTION AND JUSTIFICATION
TRANSMITTAL NO. 173
March 19, 2007

Citizens Telecommunications Companies ("Citizens") submits herewith its Description and Justification ("D&J") in support of changes to its Tariff F.C.C. No. 1 filed under Transmittal No. 173. This filing is made on behalf of the exchange carriers issuing Citizens Tariff F.C.C. No. 1. In this filing, Citizens increases its USF Recovery Charge rate and adds an additional exchange where Local Number Portability (LNP) is now available so that Citizens may recover the LNP investment.

On March 15, 2007, the Commission released a *Public Notice*, Proposed Second Quarter 2007 Universal Service Contribution Factor, DA 07-1330 ("*2Q07 USF Notice*"). In the *2Q07 USF Notice*, the USF Contribution Factor is set at 11.7%. In this filing, Citizens changes its USF Recovery Charge rate element to 11.7% in keeping with the change in the underlying contribution factor.

On November 29, 2004, Citizens filed Transmittal No. 157 implementing LNP surcharge for several exchanges where Local Number Portability had become available. Through administrative error, the exchange of Marsing, Idaho was omitted from Transmittal No. 157. Citizens recently discovered this error, and now seeks to correct this error by adding Marsing as an exchange where LNP is charged. Citizens proposes to charge LNP at Marsing from the 4/3/07 effective date of this filing through 12/13/09. This schedule allows Citizens to recover its LNP costs for Marsing through the remainder of

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the period that was established in Transmittal No. 157, without penalizing subscribers for Citizens' error in failing to implement the surcharge on a timely basis.

This filing is being made on a streamlined basis on 15 days' notice under Section 204(a)(3) of the Communications Act of 1934, as amended.