



February 19, 2002

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Mr. David Foster
Manager Telecommunications
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

EXECUTIVE SECRETARY

02-00135

**RE: CenturyTel of Ooltewah-Collegedale, Inc. - Public Acts of 2001 Chapter 195
Revised to Reflect Requested Effective Date of March 13, 2002**

Dear Mr. Foster:

Please find enclosed the original and five copies of the following tariff page:

SECTION INDEX,	5th Revised Sheet No. 3
SECTION C3,	7th Revised Contents Sheet No. 1
SECTION C3,	Original Sheet No. 8

The Tennessee General Assembly enacted House Bill 864 (Public Acts of 2001 Chapter 195) which requires telecommunications providers that receive a net tax savings as a result of the bill to pass through those savings to business customers. The purpose of this filing, in accordance with Chapter 195, is to pass through to business customers the net tax savings as stated in the Act. The net tax savings are being passed on to business customers in the form of a credit. Credits will appear starting with customers' April bills, but are effective January 1, 2002.

The net tax savings will be passed through to business customers over an eighteen (18) month time period, which matches the tax equity payment date stated in the Act (Section 4).

As requested, we have revised the proposed tariff to reflect an effective date of March 13, 2002.

In addition we have included supporting financial schedules identifying the total tax savings and pass through amount.

If you have any questions, please contact me at (903) 792-3499.

Sincerely,

Susan W. Smith/KLS

Susan W. Smith
Director - Government Relations

Enclosures

cc: Pam Donovan
Ted Hankins

POSTED
3/6/02

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C3. BASIC LOCAL EXCHANGE SERVICE

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C3. BASIC LOCAL EXCHANGE SERVICE

C3.8. House Bill 864 (Public Acts of 2001 chapter 195) Business Credit

C3.8.1. General

Tennessee General Assembly enacted House Bill 864 (Public Acts of 2001 Chapter 195) which requires a company engaged in the business of providing telecommunications services that receives a net tax savings as a result of receiving tax equity payments under this Act, to pass the benefit (savings) onto business customers. The following business customers will receive the listed credits from January 1, 2001 through June 30, 2003.

C3.8.2. Rates (Credits)

	<u>Monthly Credit</u>
Centrex Service	
Per Centrex Network Access Register	\$1.00
Per Centrex BusinessStation Line	\$.25
Local Exchange Service	
Per Business Non Rotary Key Line	\$.50
Per Business Rotary Line	\$1.00
Per PBX Trunk	\$.50
Coin Telephone Service	
Per COCOT Access Line	\$.50
Miscellaneous Services	
DID One-Way Trunk Termination	\$.50
DTS Trunk	\$15.00
ADS-PRI Access Line	\$15.00
High Capacity Channel Termination	\$5.00
Dedicated Digital Data Service Channel Termination	\$1.00
Switched Digital Data Line	\$.50
ISDN BRI	\$.25

CenturyTel
State of Tennessee - House Bill 864
2002 Property Tax Savings and 2001 Pass-Through Amount

	CenturyTel		
	Adamsville	Claiborne	Ooltewah-Collegedale
	Total		
1. Estimated Property Tax Savings & Pass through Amount	\$ 64,890	\$ 64,890	\$ 44,278
2. Less:			
A. Part 36 / 69 - Reduction in settlements	(55,191)	(55,539)	(15,207)
B. Cost of Compliance with HB 864	(150.00)	(175.00)	(175.00)
3. Net Pass Through Amount	\$ 9,549	\$ 9,176	\$ 28,896
	\$ 47,621		

TDS Telecom - Tennessee
State of Tennessee - House Bill 864
2002 Estimated Property Tax Savings and 2002 Pass Through Amount

Ln.	2001 Companies	2001 Assessed Property Value	ILEC Only	Assessment % To Total	Ad Valorem Tax Reduction Fund	Part 36/69 Impact (Section 4)	Net Pass Through (f=d-e)
		(a)	(b)	(c)	(d)	(e)	(f=d-e)
1	Adelphia Bus. Solutions of Nashville, LP.	C \$ 10,500,000	\$	0.00%			
2	American Comm. Serv. Of Chatt. Inc.	C 463,000		0.00%			
3	Ardmore Telephone Co., Inc.	I 4,000,000	4,000,000	0.24%	30,536		30,536
4	Ben Lomand Communications, Inc.	C 1,324,000		0.00%			
5	Ben Lomand Telephone	Coop 31,000,000	31,000,000	1.85%	236,656		236,656
6	Birch Telecom of the South, Inc.	C 402,000		0.00%			
7	Bledsoe Telephone	Coop 13,794,000	13,794,000	0.82%	105,304		105,304
8	Broadriver Communication, Corp.	C 6,750		0.00%			
9	Broadstate Networks of TN, Inc.	C 307,480		0.00%			
10	CenturyTel of Adamsville, Inc.	I 8,500,000	8,500,000	0.51%	64,890	(55,191.00)	9,699
11	CenturyTel of Claiborne, Inc.	I 8,500,000	8,500,000	0.51%	64,890	(55,539.00)	9,351
12	CenturyTel of Ooltewah-Collegedale, Inc.	I 5,800,000	5,800,000	0.35%	44,278	(15,207.00)	29,071
13	Citizens Telecomm. Company of Tennessee	I 48,000,000	48,000,000	2.87%	366,435		366,435
14	Citizens Telecomm. Co. of the Vol. State LLC	I 9,400,000	9,400,000	0.56%	71,760		71,760
15	Concord Telephone Exchange	I 11,700,000	11,700,000	0.70%	89,319	0	89,319
16	Crockett Telephone Company, Inc.	I 2,500,000	2,500,000	0.15%	19,085		19,085
17	DTC Communications	Coop 21,500,000	21,500,000	1.28%	164,132		164,132
18	Gabriel Comm. Of TN, Inc.*	C 100,000		0.00%			
19	Highland Telephone	Coop 19,507,000	19,507,000	1.16%	148,918		148,918
20	Humphreys County Telephone Company	I 1,560,000	1,560,000	0.09%	11,909	(3,497)	8,413
21	ICG Telecom Group, Inc.	C 2,433,000		0.00%			
22	KMC Telecom III, Inc.	C 14,010,000		0.00%			
23	MCIMetro Access Transmission Serv. Inc.	C 13,000,000		0.00%			
24	Loretto Telephone Company, Inc.	I 5,100,000	5,100,000	0.30%	38,934		38,934
25	Millington Telephone Company, Inc.	I 18,000,000	18,000,000	1.07%	137,413		137,413
26	Mpower Communications Corp.	C 953,000		0.00%			
27	New South Communications, Corp.	C 5,681,000		0.00%			
28	North Central Telephone	Coop 15,958,000	15,958,000	0.95%	121,824		121,824

TDS Telecom - Tennessee

State of Tennessee - House Bill 864

2002 Estimated Property Tax Savings and 2002 Pass Through Amount

Ln.	2001 Companies	Assessed Property Value	ILEC Only	Assessment % To Total	Ad Valorem Tax Reduction Fund	Part 36/69 Impact (Section 4)	Net Pass Through (f=d-e)
29	Peoples Telephone Company, Inc.	(a) 4,140,000	(b) 4,140,000	(c) 0.25%	(d) 31,605	(e)	(f=d-e) 31,605
30	SBC Telecom, Inc.	10,000	-	0.00%	-	-	-
31	Scott County	48,000	48,000	0.00%	366	-	366
32	TCG Mid South, Inc.	25,900,000	-	0.00%	-	-	-
33	BellSouth Telecommunications Company	1,219,400,000	1,219,400,000	72.82%	9,308,981	-	9,308,981
34	Teligent Services, Inc.	606,000	-	0.00%	-	-	-
35	Tellico Telephone Company	5,530,000	5,530,000	0.33%	42,216	(12,188)	-
36	Tennessee Telephone Company	30,610,000	30,610,000	1.83%	233,679	(59,752)	30,029
37	Time Warner Commun. Of the Mid-South, LP	17,387,000	-	0.00%	-	-	173,927
38	Trivertgent Communications	2,891,000	-	0.00%	-	-	-
39	Twin Lakes Telephone	30,232,000	30,232,000	1.81%	230,793	-	-
40	United Telephone Company	21,830,000	21,830,000	1.30%	166,652	-	230,793
41	United Telephone-Southeast, Inc.	126,500,000	126,500,000	7.55%	965,709	-	166,652
42	US Lec of Tennessee, Inc.	6,423,000	-	0.00%	-	-	965,709
43	Verizon Select Services, Inc.	184,000	-	0.00%	-	-	-
44	West Tennessee Telephone Company, Inc.	3,910,000	3,910,000	0.23%	29,849	-	-
45	West Kentucky	3,400,000	3,400,000	0.20%	25,956	-	29,849
46	Williams Network, Inc.	6,010,000	-	0.00%	-	-	25,956
47	XO Communications, Inc.	32,800,000	-	0.00%	-	-	-
48	Yorkville Telephone	4,180,000	4,180,000	0.25%	31,910	-	-
49	Total Assessment	\$ 1,815,990,230	\$ 1,674,599,000	100.00%	\$ 12,784,000	\$ (201,373)	\$ 31,910
50	CLECS assessment	\$ 141,391,230					\$ 12,582,627
51	Total Assessment excluding CLECS	\$ 1,674,599,000			\$ 12,784,000		

52 Estimated AVTR Fund Amount

TDS Telecom - Tennessee
State of Tennessee - House Bill 864
2002 Estimated Property Tax Savings and 2002 Pass Through Amount

Notes to Schedule 2

1. Column "a" - These property assessment values represent 2001 public utility Ad Valorem Property Tax Assessments.
2. Column "b" - ILEC companies include commercial companies and cooperatives. HB 864 does not apply to CLEC companies.
3. Column "c" - Percentages are based on individual ILEC companies assessments. Percentages are used to allocate the Ad Valorem Tax Reduction Fund Amount. The companies have not been provided with any information from the Department of Revenue (Section 4 of HB 864).
4. Column "d" - Ad Valorem Tax Reduction Fund of \$12,784,000 determined based on April 9, 2001 letter from James A. Davenport to Senator Bob Rochelle and Representative Matt Kisber. The amount represents an estimated increase in state revenue of \$12,884,000 (stated in the letter). The monies are derived from an increased sales tax on business customers. The gross amount has been reduced (per Section 3.d of HB 864) for \$100,000 in estimated administrative expenses. The \$12,784,000 amount is allocated to each company based on Column "c".
5. Column "e" - Per Section 4 of HB 864, the "net tax savings shall take into account and be reduced by any reduction in a company's settlement due to the company complying with Title 47, Parts 36 and 69 of the Code of Federal regulations". Applies to companies who operate on the Cost Settlement basis for Interstate purposes.
6. Column - "f" - Represents "net pass through amount" before any costs incurred in complying with HB 864. Such costs may include billing system modification and customer education (bill inserts or bill message) costs.

CenturyTel - Tennessee
State of Tennessee - House Bill 864
2002 Estimated Property Tax Savings and 2002 Pass Through Amount
Business Services and Credit Amounts

Company Name	Service Category	Trans Code	Tariff Code	Service Description	Proposed Credit	Dec 2001 Units	Proposed Credit 18 Month Amt
CenturyTel of Adamsville, Inc.							
CenturyTel of Adamsville, Inc.	KEY LINE			1100 KEY LINE HUNTING	0.5	273	\$2,457.00
CenturyTel of Adamsville, Inc.	KEY LINE			1130 KEY NONROTARY	0.5	59	\$531.00
CenturyTel of Adamsville, Inc.	PAYSTATIONS AND SEMI-PUBS			1250 COCOTS	0.5	28	\$252.00
CenturyTel of Adamsville, Inc.	PBX LINE CHARGE			1150 PBX TRUNK	0.75	52	\$702.00
CenturyTel of Adamsville, Inc.	PBX LINE CHARGE			1202 DIRECT IN DIAL TRUNK	0.5	19	\$171.00
CenturyTel of Adamsville, Inc.	PRIVATE LINE			6184 SWITCHED DIGITAL SERVICE	0.5	2	\$18.00
CenturyTel of Adamsville, Inc.	PRIVATE LINE			6191 DIGITAL DATA CHANNEL	1	1	\$18.00
CenturyTel of Adamsville, Inc.	PRIVATE LINE			6385 DTS-DIG INTERFACE TERM	10	41	\$7,380.00
CenturyTel of Adamsville, Inc.	PRIVATE LINE			6489 HIGH CAPACITY CHAN TERM	5	2	\$180.00
CenturyTel of Claiborne, Inc.							
CenturyTel of Claiborne, Inc.	CENTREX LINE			2838 NETWORK ACCESS REGISTER	1	10	\$180.00
CenturyTel of Claiborne, Inc.	CENTREX LINE			2839 CENTREX 2-3 LN	0.25	5	\$22.50
CenturyTel of Claiborne, Inc.	CENTREX LINE			2840 CENTREX 4-6 LN	0.25	10	\$45.00
CenturyTel of Claiborne, Inc.	CENTREX LINE			2856 CENTREX 4-6 LN 60 MO	0.25	18	\$81.00
CenturyTel of Claiborne, Inc.	CENTREX LINE			2857 CENTREX 7-10 LN 60 MO	0.25	27	\$121.50
CenturyTel of Claiborne, Inc.	CENTREX LINE			2858 CENTREX 11-20 LN 60 MO	0.25	16	\$72.00
CenturyTel of Claiborne, Inc.	CENTREX LINE			2875 CENTREX 21-50 LN 60 MO	0.25	49	\$220.50
CenturyTel of Claiborne, Inc.	KEY LINE			1100 KEY LINE HUNTING	0.75	417	\$5,629.50
CenturyTel of Claiborne, Inc.	KEY LINE			1105 KEY LINE HUNTING RURAL	0.75	4	\$54.00
CenturyTel of Claiborne, Inc.	LOCAL ACCESS LINES			1130 KEY NONROTARY	0.75	36	\$486.00
CenturyTel of Claiborne, Inc.	PAYSTATIONS AND SEMI-PUBS			1099 KEYLINE INTERNET ACCESS	0.75	2	\$27.00
CenturyTel of Claiborne, Inc.	PBX LINE CHARGE			1250 COCOTS	0.75	24	\$324.00
CenturyTel of Claiborne, Inc.	PBX LINE CHARGE			1150 PBX TRUNK	0.75	60	\$810.00
CenturyTel of Claiborne, Inc.	PRIVATE LINE			1202 DIRECT IN DIAL TRUNK	0.5	51	\$459.00
CenturyTel of Claiborne, Inc.	PRIVATE LINE			6100 DS1 TRUNK TERM/24 TRUNK	5	1	\$90.00
CenturyTel of Claiborne, Inc.	PRIVATE LINE			6101 DS1 TRUNK TERM/24 TRUNKS	5	1	\$90.00
CenturyTel of Claiborne, Inc.	PRIVATE LINE			6184 SWITCHED DIGITAL SERVICE	0.75	6	\$81.00
CenturyTel of Claiborne, Inc.	PRIVATE LINE			6191 DIGITAL DATA CHANNEL	1	11	\$198.00
CenturyTel of Claiborne, Inc.	PRIVATE LINE			6385 DTS-DIG INTERFACE TERM	15	17	\$4,590.00
CenturyTel of Claiborne, Inc.	PRIVATE LINE			6489 HIGH CAPACITY CHAN TERM	5	40	\$3,600.00
CenturyTel of Claiborne, Inc.	PRIVATE LINE			6550 DS-1 TRUNK TERMINATION	1	2	\$36.00

CenturyTel - Tennessee
State of Tennessee - House Bill 864
2002 Estimated Property Tax Savings and 2002 Pass Through Amount
Business Services and Credit Amounts

Company Name	Service Category	Trans Code	Tariff Code	Service Description	Proposed Credit	Dec 2001 Units	Proposed Credit 18 Month Amt
CenturyTel of Ooltewah-Collegedale, Inc.							
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2838 NETWORK ACCESS REGISTER	1	17	\$306.00
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2839 CENTREX 2-3 LN	0.25	5	\$22.50
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2840 CENTREX 4-6 LN	0.25	10	\$45.00
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2842 CENTREX 11-20 LN	0.25	13	\$58.50
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2846 CENTREX 11-20 LN 24 MO	0.25	1	\$4.50
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2849 CENTREX 7-10 LN 36 MO	0.25	18	\$81.00
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2852 CENTREX 4-6 LN 48 MO	0.25	7	\$31.50
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2855 CENTREX 2-3 LN 60 MO	0.25	3	\$13.50
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2856 CENTREX 4-6 LN 60 MO	0.25	7	\$31.50
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2857 CENTREX 7-10 LN 60 MO	0.25	18	\$81.00
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2858 CENTREX 11-20 LN 60 MO	0.25	21	\$94.50
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2871 CENTREX 21-50 LN	0.25	26	\$117.00
CenturyTel of Ooltewah-Collegedale, Inc.	CENTREX LINE	CXLLIN		2875 CENTREX 21-50 LN 60 MO	0.25	78	\$351.00
CenturyTel of Ooltewah-Collegedale, Inc.	ISDN	ISDN		3433 BRI ACCESS LINE-BUS	0.25	62	\$279.00
CenturyTel of Ooltewah-Collegedale, Inc.	ISDN	ISDN		3436 BRI A/T SW V/D "B"-BUS		105	\$0.00
CenturyTel of Ooltewah-Collegedale, Inc.	ISDN PRIMARY RATE INTERFACE	ISDPRI		3403 PRI ACCESS LINE	15	8	\$2,160.00
CenturyTel of Ooltewah-Collegedale, Inc.	ISDN PRIMARY RATE INTERFACE	ISDPRI		3405 PRI ACCESS LINE-36 MO	15	2	\$540.00
CenturyTel of Ooltewah-Collegedale, Inc.	ISDN PRIMARY RATE INTERFACE	ISDPRI		3406 PRI ACCESS LINE-60 MO	15	8	\$2,160.00
CenturyTel of Ooltewah-Collegedale, Inc.	KEY LINE	KEYLIN		1100 KEY LINE HUNTING	1	344	\$6,192.00
CenturyTel of Ooltewah-Collegedale, Inc.	KEY LINE	KEYLIN		1130 KEY NONROTARY	0.5	65	\$585.00
CenturyTel of Ooltewah-Collegedale, Inc.	LOCAL ACCESS LINES	LOCLIN		1099 KEYLINE INTERNET ACCESS	0.5	1	\$9.00
CenturyTel of Ooltewah-Collegedale, Inc.	LOCAL ACCESS LINES	LOCLIN		1174 ROTARY LINE BUSINESS	0.5	15	\$135.00
CenturyTel of Ooltewah-Collegedale, Inc.	PAYSTATIONS AND SEMI-PUBS	LOCPAY		1250 COCOTS	0.5	25	\$225.00
CenturyTel of Ooltewah-Collegedale, Inc.	PBX LINE CHARGE	PBXLIN		1150 PBX TRUNK	0.5	15	\$135.00
CenturyTel of Ooltewah-Collegedale, Inc.	PBX LINE CHARGE	PBXLIN		1202 DIRECT IN DIAL TRUNK	0.5	66	\$594.00
CenturyTel of Ooltewah-Collegedale, Inc.	PRIVATE LINE	PVTPL		6385 DTS-DIG INTERFACE TERM	15	1	\$270.00
CenturyTel of Ooltewah-Collegedale, Inc.	PRIVATE LINE	PVTPL		6489 HIGH CAPACITY CHAN TERM	5	47	\$4,230.00

18 MTH TN CREDIT TOTAL:

\$47,677.50

CenturyTel - Tennessee
 State of Tennessee - House Bill 864
 2002 Estimated Property Tax Savings and 2002 Pass Through Amount
 Business Services and Credit Amounts

Company Name	Service Category	Trans Code	Tariff Code	Service Description	Proposed Credit	Dec 2001 Units	Proposed Credit 18 Month Amt
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18 MTH TN CREDIT TOTAL:

\$95,355.00