



Chapel Hill, Tennessee 37034

August 31, 2006

Ms. Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

2006 SEP 11 AM 3:45
T.R.A. DOCKET ROOM

RE: Docket No. 06-00181

Dear Ms. Kyle:

In response to the above related docket, United Telephone Company is revising our calculation of property tax flow-thru to \$24,039.30 on Tariff Number 2006-0350. Also, we have enclosed the proposed Tariff associated with this revision.

If you have any questions, please call Cindy Rothstein, Accounting Manager at (931) 364-4321.

Sincerely,

A handwritten signature in cursive script that reads 'Terry M. Wales'.

Terry M. Wales
General Manager

Enclosures

RECEIVED

SEP 06 2006

TN REGULATORY AUTHORITY
UTILITIES DIVISION

United Telephone Company
State of Tennessee - Docket No. 06-00181
Property Tax - Calculation of Net Pass Through Amount
5th Price Adjustment Effective 10/1/06
Revised August 31, 2006

1.	Total Equity Payment Received June/July 2006	\$ 262,673.30
2.	Jurisdictional Separations Impact (part 36/69). Line 1 * separations factor	\$ 73,759.00
3.	Impact to USF support, if applicable (including supporting calculations)	<u>\$ 145,199.00</u>
4.	Net Tax Savings to Company to be flowed through to business customers (Line 1 less lines 2 and 3)	\$ 43,715.30
5.	Total Rate Reductions from October 1, 2005 through September 30, 2006	<u>\$ -</u>
6.	Difference (Line 4 less Line 5) <small>If line 4 is greater than line 5, then the difference represents the additional amount that existing rates need to be reduced. If line 5 is greater than Line 4, the difference represents the amount by which existing rates may be increased.</small>	\$ 43,715.30
7.	Prior year carry forward from 2005 Tariff # 2005-0802	<u>\$ (19,676.00)</u>
8.	Total amount to be passed through for October 1, 2006 - September 30, 2007	<u><u>\$ 24,039.30</u></u>
9.	Total B1, Key System and PBX customers as of August 2006	1845
10.	Amount of discount per business customer for each month	<u><u>\$ 1.09</u></u>

GENERAL EXCHANGE SERVICE TARIFFS
SECTION II
LOCAL EXCHANGE SERVICE TARIFF

UNITED TELEPHONE COMPANY
CHAPEL HILL, TENNESSEE

TENNESSEE
REGULATORY AUTHORITY
10th Revised Sheet 39

1. GENERAL

- A. Rates quoted in this tariff are subject to orders entered in applicable cases by the Tennessee Regulatory Authority and in case of conflict the rates specifically approved shall govern. Unless otherwise specified, these rates are for periods of one month and are payable in advance on a monthly basis.

II. RATES

A. MONTHLY EXCHANGE ACCESS CHARGES
NOLENVILLE EXCHANGE

Class of Service:	Per Line Access Charge
Business – One Party	\$21.44
Price Adjustment-Property Tax Flow-Thru	<u>1.09 (R)</u>
	\$20.35 (R)
Residence – One Party	13.94
Semi-Public Coin Stations	27.00
PBX Trunk or Line	\$36.50
Price Adjustment-Property Tax Flow-Thru	<u>1.09 (R)</u>
	\$35.41 (R)
Key System Line	\$36.50
Price Adjustment-Property Tax Flow-Thru	<u>1.09 (R)</u>
	\$35.41 (R)

EFFECTIVE JANUARY 1, 2002

Per Tennessee Public Acts of 2001 Chapter 195, an annual adjustment will be applied to Business, PBX, and Key Access Charges. This amount is based upon an estimate of the Property (AdValorem) tax savings as provided by the Tennessee Comptroller of the Treasury, Office of State Assessed Properties

ISSUED: 09-01-2006

EFFECTIVE: 10-01-2006

Terry M. Wales, General Mgr
UNITED TELEPHONE COMPANY

GENERAL EXCHANGE SERVICE TARIFFS
SECTION II
LOCAL EXCHANGE SERVICE TARIFF

UNITED TELEPHONE COMPANY
CHAPEL HILL, TENNESSEE

TENNESSEE
REGULATORY AUTHORITY
3rd Revised Sheet 39A

II. RATES (Continued)

A. MONTHLY EXCHANGE ACCESS CHARGES
ESTILL SPRINGS EXCHANGE

Class of Service:	Per Line Access Charge
Business – One Party	\$15.44
Price Adjustment-Property Tax Flow-Thru	<u>1.09 (R)</u>
	\$14.35 (R)
Residence – One Party	10.44
Semi-Public Coin Stations	21.00
PBX Trunk or Line	\$27.50
Price Adjustment-Property Tax Flow-Thru	<u>1.09 (R)</u>
	\$26.41 (R)
Key System Line	\$27.50
Price Adjustment-Property Tax Flow-Thru	<u>1.09 (R)</u>
	\$26.41 (R)

EFFECTIVE JANUARY 1, 2002

Per Tennessee Public Acts of 2001 Chapter 195, an annual adjustment will be applied to Business, PBX, and Key Access Charges. This amount is based upon an estimate of the Property (AdValorem) tax savings as provided by the Tennessee Comptroller of the Treasury, Office of State Assessed Properties.

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UNITED TELEPHONE COMPANY

GENERAL EXCHANGE SERVICE TARIFFS
SECTION II
LOCAL EXCHANGE SERVICE TARIFF

UNITED TELEPHONE COMPANY
CHAPEL HILL, TENNESSEE

TENNESSEE
REGULATORY AUTHORITY
10th Revised Sheet 40

I. RATES (Continued)

A. MONTHLY EXCHANGE ACCESS CHARGES

BELFAST, UNIONVILLE, FLAT CREEK, FOSTERVILLE, COLLEGE GROVE,
AND CHAPEL HILL EXCHANGES

Class of Service:	Per Line Access Charge
Business – One Party	\$13.44
Price Adjustment-Property Tax Flow-Thru	<u>1.09 (R)</u>
	\$12.35 (R)
Residence – One Party	8.44
Semi-Public Coin Stations	19.00
PBX Trunk or Line	\$24.50
Price Adjustment-Property Tax Flow-Thru	<u>1.09 (R)</u>
	\$23.41 (R)
Key System Line	\$24.50
Price Adjustment-Property Tax Flow-Thru	<u>1.09 (R)</u>
	\$23.41 (R)

EFFECTIVE JANUARY 1, 2002

Per Tennessee Public Acts of 2001 Chapter 195, an annual adjustment will be applied to Business, PBX, and Key Access Charges. This amount is based upon an estimate of the Property (AdValorem) tax savings as provided by the Tennessee Comptroller of the Treasury, Office of State Assessed Properties.

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Terry M. Wales, GENERAL MGR
UNITED TELEPHONE COMPANY