



TEC Services  
of Louisiana, Inc.

A TEC Company

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T.R.A. DOCKET ROOM

August 8, 2007

**Ms. Darlene Standley**

Deputy Chief, Telecommunications  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

**RE: Peoples Telephone Company  
Docket No. 07-00170**

Dear Ms. Standley:

I have enclosed revised tariff pages on behalf of Peoples Telephone Company. These revised tariff pages reflect a revision to the Ad Valorem Tax Equity Credit.

The following revised tariff pages are enclosed:

Index	9th Revised Page 8
Section 3	6th Revised Page 1 16th Revised Page 2
Section 7	7th Revised Page 19
Section 11	6th Revised Page 66

I have also enclosed worksheets showing the development of the new rates and the new price adjustment pursuant to 67-6-222.

Please accept this filing with a proposed effective date of October 1, 2007. I appreciate your bringing this to the attention of the Tennessee Regulatory Authority.

If you should have any questions, please do not hesitate to contact me at 318.322.0015.

Sincerely,

Brenda Pace  
Tariff Assistant

Enclosures

cc: Peoples Telephone Company  
Consumer Advocate Division

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AUG 08 2007

TN REGULATORY AUTHORITY  
UTILITIES DIVISION

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Monroe, LA 71201  
P. O. Box 2146  
Monroe, LA 71207  
Phone 318-322-0015  
Fax 318-323-2164

TEC Tennessee Telephone Companies  
Revised True Up of Business Rates for Tennessee Ad Valorem Tax Equity Payments Received  
For October 1, 2007

	<u>Crockett</u>	<u>Peoples</u>	<u>West Tennessee</u>
1 6th Price Adjustment Amount - (per Pass Thru W/S Ln 4)	5,129.20	5,295.90	6,640.70
2 5th Price Adjustment Amount - (per Pass Thru W/S Ln 5)	<u>1,096.88</u>	<u>1,355.29</u>	<u>2,111.04</u>
3 True-up amount (Ln 1 - Ln 2)	4,032.32	3,940.61	4,529.66
4 Monthly Revenue amount for rate adjustment (Ln 3 / 12)	<u>336.03</u>	<u>328.38</u>	<u>377.47</u>
5 June 2007 Business Customers	<u>915</u>	<u>1,047</u>	<u>573</u>
6 10/1/2007 Decrease (Increase) of Business Rates per Month (Ln 4 / Ln 5)	<u>0.37</u>	<u>0.31</u>	<u>0.66</u>

June 2007 Business Customers

Bus-1 Pty Access Line - BRA	578	661	394
Key Access Line - BRA	194	141	85
PBX Access Trunk - BRA	8	15	37
Payphone Access Line - BRA	9	1	7
Payphone Access Line - Company E	5	13	1
ISDN/BRI 2B+D Bus	1	0	1
Trunk ISP	<u>120</u>	<u>216</u>	<u>48</u>
Total Business Customers	<u>915</u>	<u>1,047</u>	<u>573</u>

Old Rates

Bus-1 Pty Access Line - BRA	19.14	7.96	5.46
Key Access Line - BRA	37.50	17.31	7.66
PBX Access Trunk - BRA	37.50	32.41	12.66
Payphone Access Line - BRA	31.21	14.44	10.69
Payphone Access Line - Company E	31.21	14.44	10.69
ISDN/BRI 2B+D Bus	55.00	55.00	55.00
Trunk ISP	19.14	7.96	5.46

New Rates

Bus-1 Pty Access Line - BRA	18.77	7.65	4.80
Key Access Line - BRA	37.13	17.00	7.00
PBX Access Trunk - BRA	37.13	32.10	12.00
Payphone Access Line - BRA	30.84	14.13	10.03
Payphone Access Line - Company E	30.84	14.13	10.03
ISDN/BRI 2B+D Bus	54.63	54.69	54.34
Trunk ISP	18.77	7.65	4.80

<b>New Price Adjustment Pursuant to 67-6-222</b>	<b>0.37</b>	<b>0.31</b>	<b>0.66</b>
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Summary of 2006 Accounting entries on books to accrue ad valorem tax equity refund payment

119020-0085 Other A/R From Non Affil Co	23,507	30,976	19,537
724001-0085 Operating Taxes-Property Ad Valorem Credits	(23,507)	(30,976)	(19,537)

19.14	7.96	5.46
18.77	7.65	4.80
0.37	0.31	0.66

**TEC Tennessee Telephone Companies**  
**Revised Property Tax Calculation - Net Pass Through Amount**  
**6th Price Adjustment Effective October 1, 2007**

	<u>Crockett</u>	<u>Peoples</u>	<u>West Tennessee</u>	<u>Total</u>
1. Total Equity Payment Received June/July 2007	22,725.60	32,707.86	18,957.37	74,390.83
2. Jurisdictional Separations Impact (Part 36/69).Ln 1 * Separations factor	5,681.40	8,176.97	2,369.67	16,228.04
3. Impact to USF support, if applicable (include supporting calculations)	<u>11,915.00</u>	<u>19,235.00</u>	<u>9,947.00</u>	<u>41,097.00</u>
Net Tax Savings to Company to be flowed through to business customers. (Line 1 less lines 2 and 3)	5,129.20	5,295.90	6,640.70	17,065.79
5. Total Excess Flow per Worksheet	<u>1,096.88</u>	<u>1,355.29</u>	<u>2,111.04</u>	<u>4,563.21</u>
6. Difference (Line 4 less Line 5) 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, then the difference represents the amount by which existing rates may be increased.	<u>4,032.32</u>	<u>3,940.61</u>	<u>4,529.66</u>	<u>12,502.58</u>
<b><u>USF Impact Schedule</u></b>				
USF Yearly Payment from USF Algorithm W/O Tax Equity Payment Received June/July 2006	394,442.00	1,417,708.00	360,654.00	2,172,804.00
USF Yearly Payment from USF Algorithm With Tax Equity Payment Received June/July 2006	<u>406,357.00</u>	<u>1,436,943.00</u>	<u>370,601.00</u>	<u>2,213,901.00</u>
Impact to USF support	<u>11,915.00</u>	<u>19,235.00</u>	<u>9,947.00</u>	<u>41,097.00</u>

**TEC Tennessee Telephone Companies**  
**Property Tax Reduction Excess Flow Worksheet**  
**For October 1, 2007**

	<u>CTC</u>	<u>PTC</u>	<u>WTC</u>	<u>Total</u>
Equity Payment Received 02-03	27,254	46,191	30,548	103,993
Jurisdictional Separations	(4,660)	(7,790)	0	(12,450)
<b>Net</b>	<b>22,594</b>	<b>38,401</b>	<b>30,548</b>	<b>91,543</b>
Equity Payment Received 04	26,062	38,990	24,711	89,763
Jurisdictional Separations	(6,515)	(9,747)	0	(16,262)
High Cost	0	(21,889)	0	(21,889)
<b>Net</b>	<b>19,547</b>	<b>7,354</b>	<b>24,711</b>	<b>51,612</b>
Equity Payment Received 05	23,744	34,224	21,909	79,877
Jurisdictional Separations	(5,936)	(8,556)	(2,739)	(17,231)
High Cost	(12,253)	(19,638)	(9,562)	(41,453)
<b>Net</b>	<b>5,555</b>	<b>6,030</b>	<b>9,608</b>	<b>21,193</b>
Equity Payment Received 06	27,262	39,250	24,496	91,008
Jurisdictional Separations	(6,816)	(9,813)	(3,062)	(19,691)
High Cost	(14,258)	(22,760)	(12,650)	(49,668)
<b>Net</b>	<b>6,188</b>	<b>6,677</b>	<b>8,784</b>	<b>21,649</b>
Equity Payment Received 07	22,726	32,708	18,957	74,391
Jurisdictional Separations	(5,681)	(8,177)	(2,370)	(16,228)
High Cost	(11,915)	(19,235)	(9,947)	(41,097)
<b>Net</b>	<b>5,130</b>	<b>5,296</b>	<b>6,640</b>	<b>17,066</b>
<b>Total Net to Flow</b>	<b>59,014</b>	<b>63,758</b>	<b>80,291</b>	<b>203,063</b>
<b>Total Flowed</b>	<b>60,111</b>	<b>65,113</b>	<b>82,402</b>	<b>207,626</b>
<b>Excess Flow</b>	<b>(1,097)</b>	<b>(1,355)</b>	<b>(2,111)</b>	<b>(4,563)</b>
Monthly Decrease	(91)	(113)	(176)	(380)
Units	891	(0.10) 1023	(0.11) 597	(0.29)
<b>Monthly Decrease</b>	<b>(0.10)</b>	<b>(0.11)</b>	<b>(0.29)</b>	
<b><u>Property Tax Rate Reductions</u></b>				
02-03 Rate Decrease	1.56	2.79	2.88	
21 Months	32.76	58.59	60.48	
X units	995	32,596 932	54,606 852	51,529 138,731
03-04 Rate Decrease	0.44	0.93	0.21	
12 Months	5.28	11.16	2.52	
X units	914	4,826 878	9,798 808	2,036 16,660
04-05 Rate Decrease	0.72	-0.71	0.25	
12 Months	8.64	-8.52	3	
X units	955	8,251 1035	(8,818) 641	1,923 1,356
05-06 Rate Decrease	1.98	2.53	3.96	
12 Months	23.76	30.36	47.52	
X units	945	22,453 1023	31,058 623	29,605 83,116
06-07 Rate Decrease	-0.73	-1.78	-0.36	
12 Months	-8.76	-21.36	-4.32	
X units	915	(8,015) 1008	(21,531) 623	(2,691) (32,237)
<b>Total Reductions</b>	<b>60,111</b>	<b>65,113</b>	<b>82,402</b>	<b>207,626</b>

## GENERAL SERVICES TARIFF

Peoples Telephone Company

Lera Roark  
Vice President  
Issued: 8/08/07

TRA Tariff 1

INDEX

9<sup>th</sup> Revised Page 8

Cancels 8<sup>th</sup> Revised Page 8

Effective: 10/01/07

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### INDEX

<u>Subject</u>	<u>Section</u>	<u>Page</u>
Transmitting Messages	2	6
Trunk Lines	3	2
Underground Service Entrances	5	5
Unlawful Use of Service	2	6
Unpaid Account - Application for New Service	2	8
Unusual Installations	5	7
Use and Ownership of Equipment	2	12
Use of Abusive Language	2	7
Use of Subscriber's Service	2	3
Voice Mail (V-Mail) Services	11	36
Waiver of Service Connection Charges	4	11
WATS (Make Busy) Line Control Arrangement	12	18
Wide Area Telecommunications Service	16	6
Work Performed Outside Regular Working Hours	2	14
711 Dialing Code for Telephone Relay Service (TRS)	11	123

(D)

# GENERAL SERVICES TARIFF

Peoples Telephone Company

Lera Roark  
Vice President  
Issued: 8/08/07

TRA Tariff 1  
SECTION 3  
6th Revised Page 1  
Cancels 5th Revised Page 1  
Effective: 10/01/07

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## 3. BASIC LOCAL EXCHANGE SERVICE

### CONTENTS

	Page Number	
3.1	Monthly Exchange Rates	2
3.2	Reserved for Future Use	2 (D)
3.3	Local Calling Areas	3
3.4	Concessions	3
3.5	Exchange Service Area Maps	3.1
3.6	Operator Assisted Local Calls and Local Calling Card Service Calls	6
3.7	Local Operator Verification / Interruption Service	7
3.8	County Seat Calling	8
	3.8.B Contiguous Count Call Credits for Non AT&T (formerly BellSouth) Customers	8 (T) (T)
3.9	Lifeline Assistance Program	9

# GENERAL SERVICES TARIFF

Peoples Telephone Company

TRA Tariff 1

SECTION 3

Lera Roark

16th Revised Page 2

Vice President

Cancels 15th Revised Page 2

Issued: 8/08/07

Effective: 10/01/07

## 3. BASIC LOCAL EXCHANGE SERVICE

### 3.1 Monthly Exchange Rates

The rates specified herein, entitle the subscriber to an unlimited number of messages to all stations bearing the designation of central offices within the serving exchange and additional exchanges as shown in Section 3.3, Local Calling Areas, of this tariff. (D)

#### Exchanges of Erin, Tennessee Ridge & Henry

Business	Monthly Rate**	Price Adjustment Pursuant to 67-6-222*	Monthly Rate of Basic Business Telephone Service	
1-party access line	\$ 7.96	.31	7.65	(R)
Key system lines	17.31	.31	17.00	(R)
PBX trunks	32.41	.31	32.10	(R)
PBX extensions	2.00	0.00	2.00	

#### **Residence**

1-party access line	\$ 1.91	0.00	1.91	
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### 3.2 Reserved for Future Use (D)

\*The Ad Valorem Tax Equity Credit per Section 67-6-222 of the Tennessee Code Annotated applies to Business Customers only. The Ad Valorem Tax Equity Credit amount will be in effect through September 30, 2008. This reflects a true up of the rate adjustment to reflect the Company's actual level of property tax saving as a result of Section 67-6-222. (T)

\*\*This service is amended pursuant to TRA Docket No. 07-00170 dated July 19, 2007. (T)



## GENERAL SERVICES TARIFF

Peoples Telephone Company

Lera Roark  
Vice President  
Issued: 8/08/07

TRA Tariff 1  
Section 7  
7<sup>th</sup> Revised Page 19  
Cancels 6<sup>th</sup> Revised Page 19  
Effective: 10/01/07

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### 7. COIN TELEPHONE SERVICE

#### 7.4 PAYPHONE ACCESS LINES (Continued)

##### C. RULES AND REGULATIONS (Continued)

10. The Company reserves the right to disconnect service when the customer does not comply with the FCC and state rules and regulations related to payphone access lines and equipment.
11. The Multiline Business Subscriber Line Charge, as found in the interstate access services tariff, is applicable to all payphone access lines.

##### D. RATES AND CHARGES

		Monthly Rate	Nonrecurring Charge	
1.	Payphone Access Line <sup>1</sup>	\$ 14.44		
	Price Adjustment			
	Pursuant to 67-6-222*	.31		
	Adjusted Payphone Access Line	14.13		(R)
2.	Coin Supervision	2.21		
3.	Originating Line Screening (OLS) --		\$7.95	

\*The Ad Valorem Tax Equity Credit per Section 67-6-222 of the Tennessee Code Annotated applies to Business Customers only. The Ad Valorem Tax Equity Credit amount will be in effect through September 30, 2008. This reflects a true up of the rate adjustment to reflect the Company's actual level of property tax saving as a result of Section 67-6-222. (T)

**Note 1:** Installation, moves and change charges will be those applicable to business service.

This service is amended pursuant to TRA Docket No. 07-00170 dated July 19, 2007. (T)

# GENERAL SERVICES TARIFF

Peoples Telephone Company, Inc.

TRA Tariff 1

SECTION 11

Lera Roark

6th Revised Page 66

Vice President

Cancels 5th Revised Page 66

Issued: 8/08/07

Effective: 10/01/07

## 11. MISCELLANEOUS SERVICE ARRANGEMENTS

### 11.12 INTEGRATED SERVICES DIGITAL NETWORK (ISDN) (Continued)

#### 1. Business Service (IBS) (Continued)

##### E. Rates and Charges

##### 1) Interface

##### a) Basic Rate DSL Access Arrangement/Business Service

	Installation Charge	Month to Month	Rate Stability Monthly Rate	
			24-59 Mos. Plan	60-120 Mos. Plan
- ISDN Access/ISDN with High Speed Packet Access	\$58.50	\$55.00*	\$55.00*	\$55.00*
Price Adjustment Pursuant to 67-6-222**		.31	.31	.31
Adjusted ISDN Access		54.69*	54.69*	54.69*

(R)

##### b) Channels Activated

- B Channel (Maximum of 2) <sup>1</sup>				
- Circuit Switched Voice/Data, each				
- Flat Rate	\$24.00*	\$16.25	\$13.25	\$11.25
- Permanent High Speed Packet, each	\$24.00*	\$120.00	\$110.00	\$100.00
- D Channel (Maximum of 1)				
- Low Speed Packet as a single service				
- one only	\$24.00*	\$ 13.50	\$ 12.50	\$ 12.00
- Low Speed Packet with a B channel service, each	\$24.00*	\$ 13.50	\$ 12.50	\$ 12.00

\* Does not apply at initial installation of ISDN Service. Applicable only for subsequent changes.

\*\* The Ad Valorem Tax Equity Credit per Section 67-6-222 of the Tennessee Code Annotated applies to Business Customers only. The Ad Valorem Tax Equity Credit amount will be in effect through September 30, 2008. This reflects a true up of the rate adjustment to reflect the Company's actual level of property tax savings as a result of Section 67-6-222.

(T)

**Note 1:** On-Demand High Speed Packet B channel requires both Circuit Switched Voice/Data and On-Demand High Speed Packet to indicate one activation.