

**IN THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

**IN RE:**

**TARIFF TO INCREASE CUSTOM  
CALLING SERVICES**

**DOCKET NO. 08-00097**

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**PETITION TO INTERVENE**

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Robert E. Cooper, Jr., the Attorney General and Reporter for the State of Tennessee, through the Consumer Advocate and Protection Division of the Office of Attorney General (“Consumer Advocate”), pursuant to Tenn. Code Ann. § 65-4-118, respectfully petitions to intervene in this docket on behalf of the public interest because the Consumer Advocate wants to ensure that the proposed increases under the heading of “Custom Calling Services” by Citizens Telecommunications Company of Tennessee (“Citizens”) do not violate the “price cap” law set forth in Tenn. Code Ann. § 65-5-109. In general, a company operating under “price cap” regulation can raise prices for “basic services” at the rate of a specific inflation index so long as the total revenues do not exceed a total benchmark or “cap” that was determined when the company first elected to go under such regulation. Based on the record presently on file in this docket, it is not clear that Citizens will be under the “price cap” or that the rates will not exceed the annual inflation index if the proposed increases are granted. Accordingly, the Consumer Advocate is petitioning to intervene in this case. For cause, the Petitioner would show as follows:

1. The Consumer Advocate is authorized by Tenn. Code Ann. § 65-4-118 to represent

the interests of Tennessee consumers by initiating contested cases and by participating or intervening in proceedings in accordance with the Uniform Administrative Procedures Act and Tennessee Regulatory Authority rules.

2. Citizens (d/b/a Frontier Communications of Tennessee), is a public utility regulated by the Tennessee Regulatory Authority. Citizens offers telecommunications services primarily in the Cookeville, Crossville, Sparta and McMinnville areas. There are also operations in Martin County. Citizens is presently a “price cap” company regulated under the “Price Regulation Plan” set forth in Tenn. Code Ann. § 65-5-109.

3. In the tariff at issue in this docket, Citizens is seeking to raise rates for residential and business customers under the heading of “Custom Calling Services.” (Letter of June 6, 2008, to Chairman Sara Kyle from Leslie Zink.)

4. Under Tenn. Code Ann. § 65-5-109, Citizens can raise prices for basic services at the rate of a specific inflation index so long as the total revenues do not exceed a total benchmark or “cap” that was determined when the company first elected to go under such regulation. Based on the record presently on file in this docket, however, it is not clear that Citizens will be under the “price cap” or that the rates will not exceed the inflation index if the proposed increases are granted. For example, the current price for a residential one party access line is \$9.85. (General Customer Services Tariff, Sixth Revised Page 5.) The proposed price is \$11.85, which appears to exceed the annual inflation index limit.

5. The Consumer Advocate has conducted a preliminary investigation of this matter and is concerned that customers of Citizens will be adversely affected if the proposed rate increase does not follow Tennessee law.

6. Additional investigation and discovery will be needed to determine exactly how much rates may be increased under price cap regulation.

7. Only by intervening and participating in this proceeding can the Consumer Advocate adequately protect the interests of consumers.

Wherefore, Petitioner asks the Authority to grant the Petition to Intervene.

RESPECTFULLY SUBMITTED,



ROBERT E. COOPER, JR., B.P.R. #10934  
Attorney General and Reporter  
State of Tennessee



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Dated: July 3, 2008

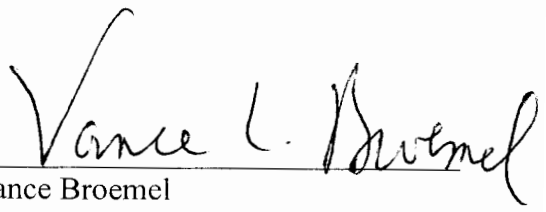
## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via first-class U.S. Mail, postage prepaid, or electronic mail upon:

Charles W. Cook, III  
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424 Church Street  
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Richard Collier, General Counsel  
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This the 3<sup>rd</sup> day of July, 2008.

  
Vance Broemel  
Assistant Attorney General

#121198