

1. REPORT DATE: 00/00/00 :  
 2. BUREAU: FUS :  
 3. SECTION(S) : 4. PUBLIC MEETING DATE:  
 5. APPROVED BY: : 00/00/00  
 DIRECTOR: :  
 SUPERVISOR: :  
 6. PERSON IN CHARGE: : 7. DATE FILED: 08/21/06  
 8. DOCKET NO: R-00061752 : 9. EFFECTIVE DATE: 09/01/06

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PARTY/COMPLAINANT: PUC

RESPONDENT/APPLICANT: COMMONWEALTH TELEPHONE CO.

COMP/APP COUNTY:

UTILITY CODE: 310800

ALLEGATION OR SUBJECT

COMMONWEALTH TELEPHONE COMPANY HAS FILED SUPPLEMENT NO 101 TO TARIFF TELEPHONE PA PUC NO 24 AND SUPPLEMENT NO 92 TO TARIFF TELEPHONE PA PUC NO 23, TO BECOME EFFECTIVE SEPTEMBER 1, 2006, WHICH PROPOSES TO DECREASE CTCO'S STATE TAX ADJUSTMENT SURCHARGE (STAS) RESULTING FROM THE MOST RECENT RECALCULATION OF THE SURCHARGE.

DOCUMENT  
FOLDER

**DOCKETED**  
AUG 26 2006

ORIGINAL

August 21, 2006

PA PUC  
SECRETARY'S BUREAU

2006 AUG 21 AM 9:16

RECEIVED

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Secretary McNulty:

Pursuant to the provisions of Title 52 (Public Utilities) of the Pennsylvania Code, and the Order of the Pennsylvania Public Utility Commission at Docket Nos. P-00032020, P-00961024F0002, P-00961024 and R-00027695, Commonwealth Telephone Company (CTCo) submits for filing: Supplement 101 to Tariff Telephone – PA PUC No. 24 and Supplement No. 92 to Tariff Telephone – PA PUC No. 23.

Both Supplements request approval to decrease CTCo's state tax adjustment surcharge (STAS) resulting from the most recent recalculation of the surcharge.

It is respectfully requested that both Supplements become effective September 1, 2006.

In an effort to reduce the time and costs associated with preparing and submitting two (2) State Tax Adjustment Surcharge ("STAS") filings during the course of the year, we are proposing that CTCo's current STAS filing be in effect from September 1, 2006 through August 31, 2006. Accordingly, please accept this letter as CTCo's request to waive the regulation at Chapter 52, Section 69.52, Exhibit A, STAS Procedures, requiring the April 2007 STAS filing.

Please contact either myself, at (570) 631-5366, or Cheryl Mirro, at (570) 631-6908, with any questions or concerns regarding this filing.

Sincerely,



Michael P. Sharry  
Director Regulatory and Public Affairs



Mailing Date:  
August 1, 2006

RECEIVED  
2006 AUG 21 AM 9:16  
PA P.U.C.  
SECRETARY'S BUREAU

COMMONWEALTH TELEPHONE CO  
100 CTE DRIVE

DALLAS, PA 18612

**Re: 2005 Pennsylvania Public Utility Realty Tax  
Notice of Determination**

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, as amended by Act 4 of 1999 and Act 23 of 2000, the Department of Revenue herein gives notice of the state taxable values of PURTA realty and the millage rate applicable to tax year 2005. This notice is based on information provided by your County Tax Assessor's Office. Any errors must be addressed with that agency and not with the Pennsylvania Department of Revenue. Notice is also given for any PURTA/PTA Tax and transitional credit adjustments for prior tax years.

Local taxing jurisdictions will soon be filing 2006 PURTA property information with the Department of Revenue. This information comes directly from your County Tax Assessor's Office. It is very important that you, the utility owner, verify the content and accuracy of this property information (especially if ownership has changed or classification, assessment, or appeal values have been finalized). Any changes or corrections to the County Tax Assessor's records must be addressed and/or appealed at the local level. The accuracy of your next PURTA bill will be dependent upon your verification of county data.

Please be advised that payment of tax is required within 45 days of the mailing of this Notice of Determination. Previous payments, adjustments, or credits should be taken into consideration. Payments and inquiry correspondence relevant to the PURTA Tax - Notice of Determination should be mailed directly to the above address.

Thank you for your attention to this matter.

**1998 - 2005 NOTICES:**

Sincerely,

Bureau of Corporation Taxes  
Department of Revenue

2005 Liability:	\$506,282.00
2004 Liability Adjustment:	\$1,148.00
2003 Liability Adjustment:	\$1,133.00
2002 Liability Adjustment:	\$1,141.00
2001 Liability Adjustment:	\$1,112.00
2001 Transition Credit Adjustment:	\$0.00
2000 Liability Adjustment:	(\$69.00)
2000 Transition Credit Adjustment:	\$0.00
1999 Liability Adjustment:	\$572.00
1999 Transition Credit Adjustment:	\$0.00
1998 Liability Adjustment:	\$7,754.00
1998 Transition Credit Adjustment:	\$0.00

PLEASE SEE PAGE 2  
FOR DETAIL

Account ID: 3506723

Name: COMMONWEALTH TELEPHONE CO

Account Id: 3506723

Detail

Tax Year 2005 \*

	<u>2005</u>
1) Realty Tax Equivalent (RTE):	\$ 31,316,167
2) Total State Taxable Value (STV) for all utilities:	\$ 1,546,689,572
3) PURTA Millage Rate (including 7.6 mills for Public Transportation Act (PTA)):	27.8472 mills
4) STV for Utility:	\$18,180,730
5) Liability (Line 3 x Line 4):	\$506,282

Tax Year 1998 - 2004

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
1) Adjusted RTE:	\$ 133,200,000	\$ 39,079,683	\$ 28,278,893	\$ 29,249,226	\$ 29,226,699	\$ 29,938,195	\$ 29,942,762
2) Adjusted Total STV for all utilities:	\$ 2,090,381,492	\$ 2,058,686,870	\$ 1,359,876,955	\$ 1,334,032,493	\$ 1,361,641,755	\$ 1,384,456,111	\$ 1,447,184,767
3) Adjusted Millage Rate (includes 7.6 mills for PTA):	71.3204 mills	26.5828 mills	28.3952 mills	29.5254 mills	29.0643 mills	29.2245 mills	28.2904 mills
4) Adjusted STV for Utility:	\$23,398,624	\$23,553,798	\$22,997,178	\$15,908,408	\$15,978,982	\$15,519,330	\$17,654,424
5) Adjusted Liability (Line 3 x Line 4):	\$1,668,799	\$626,126	\$653,009	\$469,702	\$464,418	\$453,545	\$499,451
6) Adjusted Transition Credit:	\$100,000	\$0	\$0	\$0	N/A	N/A	N/A
7) Adjustment to Liability of 8/1/2005:	\$7,754	\$572	(\$69)	\$1,112	\$1,141	\$1,133	\$1,148
8) Adjustment to Transition Credit of 8/1/2005:	\$0	\$0	\$0	\$0	N/A	N/A	N/A

Under separate cover you will receive an Account Review. Please review it to confirm the current status of payments made, transition credits and adjustments to previous tax liabilities or balances still due. Any overpayment is available for transfer within the account, any net credit balance for the account is available for refund/assignment.

\* If you do not agree with this Notice of Determination for 2005 PURTA, you may file a Petition for Recalculation pursuant to "Section 1109-A of the Act of March 4, 1971, as amended" with the Board of Finance and Revenue which must be postmarked by the U.S. Postal Service or received by the Board of Finance and Revenue within thirty (30) days of the mailing date of this notice.

EXAMPLE TELEPHONE COMPANY

Summary of September 2006 STAS Filing

	<u>Total</u>	<u>Access User</u>	<u>End User</u>
1 Total STAS Surcharge Expense	(1,949,670)		
2 Allocate Expense based on 8/05 thru 7/06 Actual			
Revenues excluding STAS Revenues- (See line 9)	100.0%	46.93%	53.07%
3 Allocated Expenses	(1,949,670)	(914,999)	(1,034,671)
4 GR Tax on End User Revenue	(51,735)	-	(51,735)
5 STAS Adjustment	<u>(2,001,405)</u>	<u>(914,999)</u>	<u>(1,086,406)</u>
 <b>Gross Revenues including STAS:</b>			
6 Actual 8/1/05 thru 7/31/06	126,494,818	59,365,221	67,129,597
7 STAS Included in Revenues	-	-	-
8 Revenue Excluding STAS	<u>126,494,818</u>	<u>59,365,221</u>	<u>67,129,597</u>
9 Revenue %	100.0%	46.93%	53.07%
10 STAS Adjustment 9/01/06 thru 8/31/07 (line 5)		(914,999)	(1,086,406)
11 Actual Revenues excl STAS-8/1/05 thru 7/31/06 (line 8)		59,365,221	67,129,597
 <b>New STAS Rate 9/06 thru 8/07:</b>			
12 STAS Surcharge Rate (line 10 / line 11)		-0.015413	-0.01618371
13 STAS %		<b>-1.541%</b>	<b>-1.618%</b>
	2005 STAS Filing	-1.170%	-1.231%
	6A/6F	-1.623%	-1.709%

CERTIFICATE OF SERVICE

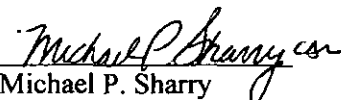
I hereby certify that I have this day served a copy of CTC's Supplement No. 101 to Tariff Telephone PA PUC No. 24 and Supplement No. 92 to Tariff Telephone PA PUC No. 23 filing upon the persons and in the manner indicated below.

Service by First Class Mail:

Philip McClelland  
Office of Consumer Advocate  
555 Walnut St. - 5<sup>th</sup> Floor  
Forum Place  
Harrisburg, PA 17101-1923

William R. Lloyd  
Office of Small Business Advocate  
Suite 1102 - Commerce Bldg.  
Harrisburg, PA 17101

Janet Tuzinski  
PA PUC - Bureau of FUS  
P.O. Box 3265  
Harrisburg, PA 17105-3265

  
Michael P. Sharry

DATED: August 21, 2006

00061752

**ORIGINAL**

SUPPLEMENT NO. 92  
TO  
TARIFF TELEPHONE - PA P.U.C. NO. 23

COMMONWEALTH TELEPHONE COMPANY

**DOCUMENT  
FOLDER**

RATES AND RULES  
GOVERNING THE FURNISHING OF TELEPHONE SERVICE  
IN  
EXCHANGE AREAS OF ALL OF WYOMING COUNTY, AND PORTIONS  
OF BERKS, BRADFORD, BUCKS, CARBON, CHESTER, COLUMBIA,  
DAUPHIN, LACKAWANNA, LANCASTER, LEHIGH, LUZERNE,  
LYCOMING, MONROE, NORTHAMPTON, SCHUYLKILL, SULLIVAN,  
SUSQUEHANNA, TIOGA, AND YORK COUNTIES  
IN THE STATE OF PENNSYLVANIA  
AND AS SHOWN ON SHEETS 6 THROUGH 12  
CONTAINED IN TELEPHONE - PA PUC NO. 23  
AND AS SHOWN ON MAPS CONTAINED HEREIN

ISSUED: August 21, 2006

EFFECTIVE: September 01, 2006

by

MICHAEL P. SHARRY  
DIRECTOR  
REGULATORY AND PUBLIC AFFAIRS  
COMMONWEALTH TELEPHONE COMPANY  
DALLAS, PENNSYLVANIA

**DOCKETED**  
AUG 25 2006

**NOTICE**

THIS TARIFF MAKES (DECREASES) IN RATES & RULES

SEE SHEET 2

COMMONWEALTH TELEPHONE COMPANY  
SUPPLEMENT NO. 92 - PA P.U.C NO. 23

**LIST OF MODIFICATIONS**

DECREASE      To the State Tax Adjustment Surcharge  
Section 1 - Nineteenth Revised Sheet 12

Commonwealth Telephone Company

Section 1  
Nineteenth Revised Sheet 12  
Canceling Eighteenth Revised Sheet 12

GENERAL REGULATIONS  
(continued)

Y. STATE TAX ADJUSTMENT SURCHARGE

In addition to the charges provided in this Tariff and other intrastate toll and access tariffs in which this Company concurs, a surcharge, as shown below, will apply to all intrastate charges for service on and after September 1, 2006 except on coin paid customer dialed calls from pay telephones.

( C )

For services provided to:

Surcharge  
Rate

End User	-1.618%
Other Local Exchange Companies	-1.541%
All Interexchange Carriers/Resellers	-1.541%

( D )  
|  
|

The above charges will be recomputed, using the same elements prescribed by the Commission as follows:

1. Whenever any of the tax rates used in calculation of the surcharge are changed.
2. Whenever the utility makes effective any increased or decreased rates.
3. And on March 31, 1992 and each year thereafter.

The above recalculations will be submitted to the Commission within 10 days after the occurrence of the event or date which occasions such recomputations. If the recomputed surcharge is less than the one in effect, or if the recomputed surcharge is more than the one then in effect, the utility may submit with such recomputation, a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after filing.

(C) Indicates Change (D) Indicates Decrease

Issued: August 21, 2006

Effective: September 1, 2006

00061752

ORIGINAL

SUPPLEMENT NO. 101  
TO  
TARIFF TELEPHONE – PA P.U.C. NO. 24

COMMONWEALTH TELEPHONE COMPANY

DOCUMENT  
FOLDER

RATES AND RULES  
GOVERNING THE FURNISHING OF TELEPHONE SERVICE  
IN  
EXCHANGE AREAS OF ALL OF WYOMING COUNTY, AND PORTIONS  
OF BERKS, BRADFORD, BUCKS, CARBON, CHESTER, COLUMBIA,  
DAUPHIN, LACKAWANNA, LANCASTER, LEHIGH, LUZERNE,  
LYCOMING, MONROE, NORTHAMPTON, SCHUYLKILL, SULLIVAN,  
SUSQUEHANNA, TIOGA, AND YORK COUNTIES  
IN THE STATE OF PENNSYLVANIA  
AND AS SHOWN ON SHEETS 6 THROUGH 12  
CONTAINED IN TELEPHONE – PA PUC NO. 23  
AND AS SHOWN ON MAPS CONTAINED HEREIN

ISSUED: August 21, 2006

EFFECTIVE: September 01, 2006

by

MICHAEL P. SHARRY  
DIRECTOR  
REGULATORY AND PUBLIC AFFAIRS  
COMMONWEALTH TELEPHONE COMPANY  
DALLAS, PENNSYLVANIA

DOCKETED  
AUG 25 2006

**NOTICE**

THIS TARIFF MAKES (DECREASES) IN RATES & RULES

SEE SHEET 2

COMMONWEALTH TELEPHONE COMPANY  
SUPPLEMENT NO. 101 – PA P.U.C NO. 24

**LIST OF MODIFICATIONS**

DECREASE      To the State Tax Adjustment Surcharge  
Section 1 - Eighteenth Revised Sheet 19

Commonwealth Telephone Company

Section 1  
 Eighteenth Revised Sheet 19  
 Canceling Seventeenth Revised Sheet 19

GENERAL REGULATIONS  
 (continued)

STATE TAX ADJUSTMENT SURCHARGE

In addition to the charges provided in this Tariff and other intrastate toll and access tariffs in which this Company concurs, a surcharge, as shown below, will apply to all intrastate charges for service on and after September 1, 2006, except on coin paid customer dialed calls from pay telephones.

( C )

For services provided to:

	<u>Surcharge Rate</u>
End User	-1.618%
Other Local Exchange Companies	-1.541%
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( D )

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(C) Indicates Change (D) Indicates Decrease

Issued: August 21, 2006

Effective: September 1, 2006