EXHIBIT A

ATTACHMENT A

Local Exchange Carriers Association, Inc.

Intrastate Access Services Tariff

Purpose and Description of Filing

Introduction

The intent of this document is to explain the overall purpose of the LECA filing and provide an explanation of the methodology used to calculate the rate impacts to the Member companies. The filing also includes a copy of the revised LECA Intrastate Access Service Tariff on file at the SDPUC.

I. Purpose of Filing

This filing is being made to comply with the FCC's Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, adopted October 27, 2011 and released on November 18, 2011, (Report and Order). The Report and Order outlines significant reform of intrastate and interstate intercarrier compensation (ICC) rates and charges. The FCC took the following immediate steps to establish a transition to bill-and-keep as the ultimate uniform, national ICC methodology for the exchange of telecommunications traffic.

- Capped originating and terminating interstate access rates and reciprocal compensation rates at the December 29, 2011 rate levels.
- Capped all intrastate terminating access rates, originating and terminating dedicated transport rates, and reciprocal compensation rates at the December 29, 2011 rate levels.
- Effective July 1, 2012 rate-of-return companies begin a nine-year transition of terminating end office switching rates to bill-and-keep.
- Effective July 1, 2012 allow incumbent local exchange carriers (ILECs) to begin charging a Transitional Intrastate Access Rate calculated in accordance with FCC §51.909. The application of this section will be discussed below.
- By July 1, 2013 intrastate and interstate switched access rates should be in parity.
- The FCC developed a Recovery Mechanism (RM) that allows the rate-of-return ILECs to recover a portion of the lost revenues from a combination of a new end user charge and the Connect America Fund (CAF). Although the RM allows the ILECs to recover a portion of their lost revenues, it is an interstate recovery mechanism described in §51.915 of the FCC rules and will not be discussed in this filing.
- Other ICC reforms relate to Access Stimulation, Phantom Traffic, rules for wireless intraMTA traffic, and interconnected VoIP traffic. These issues are not addressed in this filing. LECA made a filing in Docket TC11-101 to change the tariff related to interconnected VoIP traffic. The interconnected VoIP revision was effective December 29, 2011.
- The FCC also issued a Further Notice of Proposed Rulemaking to examine originating access reform.

Through this filing, the LECA Member companies file revisions to the intrastate access tariff to comply with the changes listed above. The Report and Order states that it is the FCC's desire for the States to continue to oversee the tariffing of intrastate rates and reductions during the transition period. The LECA intrastate access tariff is being revised to reflect the terminating access rate changes ordered by the FCC.

The LECA intrastate access tariff revisions do not make changes to the current originating intrastate access rate, rate structure, or services provided by the LECA Members. The current originating access rate is a composite rate of $0.125 per MOU. The FCC's Report and Order does not propose reform to originating access rates at this time.

II. Description of Filing

Attached to this filing, you will find:

- The revised LECA Intrastate Access Tariff. Section 17 includes a separate tariff page for each Member company showing the company specific Transitional Intrastate Access Rate.
- A Confidential Filing of a Work Sheet for each LECA Member company listing each company's intrastate terminating revenues for the fiscal year test period, terminating intrastate access minutes-of-use (MOUs), terminating intrastate access revenues based upon the interstate rates and rate structure as of December 29, 2011, the calculated Transitional Intrastate Access Rate, and the revenues resulting from the Transitional Access Rate.

III. Methodology Used to Calculate the Transitional Intrastate Access Rate

LECA calculated each Member company's Transitional Intrastate Access rate in accordance with §51.909(2) and then requested each company to review the calculations for accuracy. Each LECA Member company elects the option outlined in §51.909(2)(v) which applies the December 29, 2011 interstate access rates and rate structure to calculate the Transitional Intrastate Access Rate. All Member companies except the City of Brookings are issuing carriers of the National Exchange Carrier Association's Access Tariff, No. 5 filed at the FCC. The City of Brookings has its own interstate access tariff filed at the FCC. The revisions are being filed with an effective date of July 1, 2012, in accordance with the FCC's Report and Order. Tariff pages reflect the July 1, 2012 effective date for the Transitional Intrastate Access Rate for a one-year period.

Attached is a sample work sheet that provides the level of information obtained from each Member company to calculate the Transitional Intrastate Access rate. The following methodology was used to calculate the revised rates:

- Line 3 of the Confidential Transitional Rate Calculation Work Sheets attached to this filing identifies each member company's billed and collected terminating access revenues based on the FCC's defined Fiscal Year of October 2010 through September 2011.

- Lines 7 – 36 of the Confidential Work Sheets develop revenues by rate element by applying intrastate MOUs (fiscal year 2011 intrastate MOU, by rate element) to the interstate rates and rate structure for each company as of December 29, 2011.
- Line 37 of the Confidential Work Sheets is a total of fiscal year 2011 terminating revenues for each company at interstate rates and rate structure.
- Line 39 of the Confidential Work Sheets is the difference in Line 3 less Line 37.
- Line 42 of the Confidential Work Sheets represents 50% of the difference shown on Line 39. The 50% factor is based on §51.909(2)(iii) provisions.
- Line 44 of the Confidential Work Sheets represents the calculation of the Transitional access rate for each company based upon MOUs on Line 43, which is the same End Office MOUs from Line 7.