those bodies and regulated entities and need not be grounded in a specific instrument or contract. *See, e.g. Winstar*, 116 S.Ct. at 2452 (agreements to provide particular regulatory treatment "are especially appropriate in the world of regulated industries, where the risk that legal change will prevent the bargained-for performance is always lurking in the shadows.")

Incumbent LECs made facilities investments in consideration for the regulatory assurance that their prudent investments would be recoverable in rates. *Detroit v. Detroit Citizens' Street Railway Co.*, 184 U.S. 368, 385 (1902) ("It would hardly be credible that capitalists about to invest money in what was then a somewhat uncertain venture . . . would at the same time . . . give the right to the [government] to change at its pleasure from time to time those important and fundamental rights affecting the very existence and financial success of the company.") The regulatory compact is a legally enforceable bargain that regulators cannot simply walk away from in the face of changed circumstances.

The United States Constitution provides incumbent LECs and other utilities with the right to a reasonable opportunity to recover and earn a reasonable return upon their prudent investments. Further, it prohibits regulators from establishing rates at confiscatory levels. *See, e.g., Duquesne Light Co., supra,* at 307, 314. Further, the concept of just and reasonable rates connotes a balance of investor and ratepayer interests. *See, e.g., In re Permian Basin Area Rate Cases*, 390 U.S. 747, 767 (1968); *Federal Power Comm'n. v. Hope Natural Gas Co.*, 320 U.S. 591, 603 (1944); and *Federal Power Comm'n v. Natural Gas Pipeline Co.*, 315 U.S. 575, 585 (1942). Rates that fall below a just and reasonable level are confiscatory and violate the "takings" clause of the Fifth and Fourteenth Amendments.

Bluefield Waterworks, supra at 692-93, long ago described the protections guaranteed to utilities and their investors:

> The [allowed rate of] return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties.

Further, the Court, in *Hope Natural Gas, supra*, at 603, stated:

> [T]he investor interest has a legitimate concern with the financial integrity of the company whose rates are being regulated. From the investor or company point of view it is important that there be enough revenue not only for operating expenses but also for the service on the debt and dividends on the stock . . . By that standard the return to the equity owner . . . should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital.

Established case law demonstrates both the existence of the regulatory compact as a binding commitment on behalf of state and federal regulators that cannot be disregarded in the changed regulatory environment solidified by the Telecommunications Act of 1996. The Commission is legally required to deliver on its part of the bargain by creation of a transitional recovery mechanism of the type sponsored by the Citizens Companies in this Section V. Legal requirements aside, this issue is particularly acute for a rural price cap LEC which, given the nature of the markets it serves, is in far greater risk of damage from under recovery of its regulatory compact-driven capital expenditures than is the more typical price cap LEC. The reasons for this should be obvious -- the rural price cap LEC has a much higher cost structure in serving rural markets than does a more geographically diversified BOC or GTE.

Conclusion

Access reform is necessary and long over due. In undertaking this important endeavor, however, the Commission must be careful to realize that the class of incumbent LECs that is

subject to price cap regulation, the subject of this proceeding, is not homogeneous. It would be inappropriate for price cap carrier access reform to proceed on the simplistic and erroneous assumption that all price cap LECs have the same characteristics as the most prominent members of that class, the BOCs and GTE. The Citizens LECs, which qualify as rural LECs, are also price cap carriers. The Commission must proceed cautiously in order to tailor access reform in such a way that rural price cap LECs and the rural customers that they are not harmed. The simple reality is that rural price cap LECs are different than the more typical price cap LEC and must be treated accordingly. A properly tailored access structure will ensure, *inter alia,* a maximum degree of regulatory relaxation for rural price cap LECs and create an opportunity for recovery of those LECs regulatory-driven depreciation reserve imbalances.

Respectfully submitted,

CITIZENS UTILITIES COMPANY

Richard M. Tettelbaum, Associate General Counsel
Citizens Utilities Company
Suite 500, 1400 16th Street, N.W.
Washington, D.C. 20036

(202) 332-5922

January 29, 1997

Certificate of Service

I, Richard M. Tettelbaum, Associate General Counsel for Citizens Utilities Company, certify that copies of the foregoing "Comments of Citizens Utilities Company On The Access Reform Notice of Proposed Rulemaking" have been served upon the following parties by hand delivery on this 29th day of January, 1997.

Richard M. Tettelbaum

Competitive Pricing Division
Common Carrier Bureau
Federal Communications Commission
1919 M Street, N.W., Room 518
Washington, D.C. 20554

International Transcription Services
2100 M Street, N.W., Room 140
Washington, D.C. 20037

EXHIBIT 1

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Anawalt

EXCHANGE CODE: 5410

NNX CODE(S): 383

STATE: West Virginia

DISTRICT: Southern West Virginia

COUNTY: McDowell

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: AE SxS

C.O. CONVERSION YEAR: 1996

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	534	(93.7%)
BUSINESS:	36	(6.3%)
TOTAL:	570	

EXCHANGE AREA: 41 Square Miles

DENSITY: 14 Lines / Square Mile

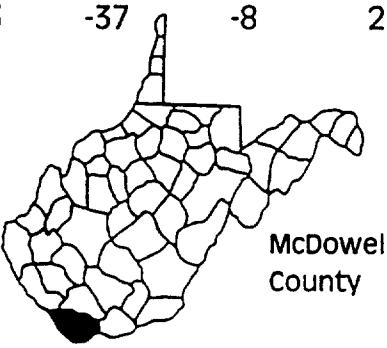
PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:

	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	-19	-3	-33	-10	1	-8
BUSINESS:	3	0	-4	2	1	3
TOTAL:	-16	-3	-37	-8	2	-5

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 1,739
- Estimated Exchange Households: 644
- Est. Residential Service Penetration: 83%



ECONOMIC SYNOPSIS: The community is almost entirely dependent on the coal mining industry. With the decline of the metallurgical coal market, the closing of older mines, the use of advanced coal mining technology, and increased mechanization of the mines, unemployment is not expected to improve in the near future. Mountainous terrain and poor roads severely limit both residential and commercial growth in the area.

Anawalt is scheduled to convert to a DMS-RLCM switch on September 1, 1996.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Bramwell

EXCHANGE CODE: 5030

NNX CODE(S): 248

STATE: West Virginia

DISTRICT: Southern West Virginia

COUNTY: MERCER, McDowell

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: DMS-RLCM

C.O. CONVERSION YEAR: 1994

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	635	(92.4%)
BUSINESS:	52	(7.6%)
TOTAL:	687	

EXCHANGE AREA: 14 Square Miles

DENSITY: 49 Lines / Square Mile

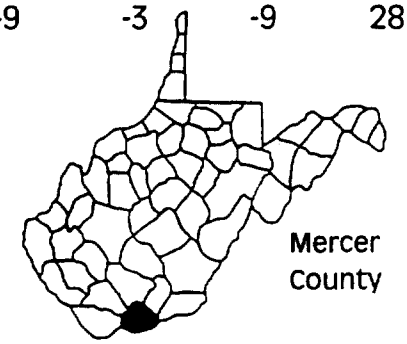
PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:

	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	-16	-4	-3	-14	24	5
BUSINESS:	0	-5	0	5	4	0
TOTAL:	-16	-9	-3	-9	28	5

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 1,861
- Estimated Exchange Households: 732
- Est. Residential Service Penetration: 87%



ECONOMIC SYNOPSIS: In the early years of the Pocahontas coal fields, Bramwell was the home of coal barons who controlled the development of the mines in the area. At one time, Bramwell boasted of having more millionaires per capita than any other town in the United States. About all that remains of those glory years are the well-preserved mansions that attest to the town's former grandeur. Over the last several years, community leaders have been working on a project to establish a 21 mile tourist train which would run from Pocahontas through Bramwell and on to Matoaka. In March, 1988, the State of West Virginia enacted a bill establishing a Tourist Train Transportation Board, with the Bramwell train being its pilot project. The proposed attraction, to be called the Bluestone Junction Tourist Train, would help the town promote its rich coal mining heritage. In January, 1991, legislation was introduced in the U.S. Congress to create a National Historical Park at Bramwell, similar to the one at Harpers Ferry. The same legislation was reintroduced in Congress in early 1993. However, the National Park Service has rejected the proposal. In December, 1995, a $525,000 federal grant was awarded to the Town of Bramwell to help construct a Coal Heritage Tourist Information Center. The State of Virginia has announced plans to build a prison in neighboring Pocahontas, Virginia, which will employ 350 people by the year 2000.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Charles Town

EXCHANGE CODE: 5230

NNX CODE(S): 725, 728

STATE: West Virginia

DISTRICT: Northern West Virginia

COUNTY: Jefferson

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: DMS-100

C.O. CONVERSION YEAR: 1987

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	10,616	(79.8%)
BUSINESS:	2,694	(20.2%)
TOTAL:	13,310	

EXCHANGE AREA: 148 Square Miles

DENSITY: 90 Lines / Square Mile

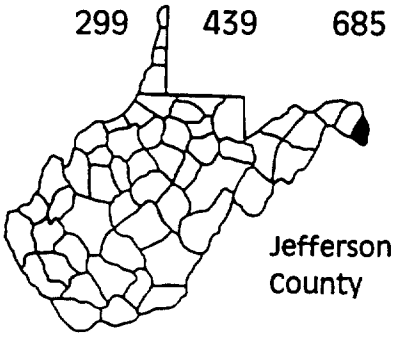
PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:

	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	194	240	199	328	426	455
BUSINESS:	89	67	100	111	259	156
TOTAL:	283	307	299	439	685	611

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 32,577
- Estimated Exchange Households: 11,602
- Est. Residential Service Penetration: 92%



ECONOMIC SYNOPSIS: Charles Town is the county seat of Jefferson County, one of West Virginia's fastest growing counties. The county has become a bedroom community for many of the people who work in the nearby metropolitan areas of Washington, D.C., northern Virginia, and southern Maryland. Residential construction has been booming in the last few years with many new subdivisions already built or under construction. Residential growth is expected to continue. Commercial and industrial development has also been good. The existing 80 acre Bardane Industrial Park currently has 7 businesses, and the new 313 acre Burr Industrial Park is adding tenants. Norm Thompson Outfitters, Inc. completed construction of a 175,000 square foot, $7.5 million distribution center in the Burr Park in August 1994, employing 100 full-time and about 250 part-time workers. Batman Corporation's proposed project to construct a $1 billion mixed-use development along the banks of the Shenandoah River seems to be on hold. Some of the larger companies in the exchange are the 3M Company, Halltown Paperboard Co., Royal Vendors, Advanced Business and Computer Supplies and Services (AB&C Group), and Charles Town Races. Jefferson County is the largest agricultural county in the state with a high degree of investment in farms and orchards.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Dailey

EXCHANGE CODE: 0338

NNX CODE(S): 338

STATE: West Virginia

DISTRICT: Northern West Virginia

COUNTY: Randolph

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: DMS-10

C.O. CONVERSION YEAR: 1983

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	753	(87.1%)
BUSINESS:	112	(12.9%)
TOTAL:	865	

EXCHANGE AREA: 80 Square Miles

DENSITY: 11 Lines / Square Mile

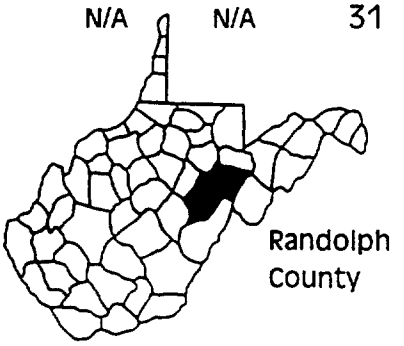
PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:

	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	N/A	N/A	N/A	N/A	29	23
BUSINESS:	N/A	N/A	N/A	N/A	2	-9
TOTAL:	N/A	N/A	N/A	N/A	31	14

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 2,293
- Estimated Exchange Households: 865
- Est. Residential Service Penetration: 87%



ECONOMIC SYNOPSIS: Dailey is a small, rural exchange in west central Randolph County. The Monongahela National Forest covers the eastern portion of the exchange. In the summer of 1990, Triangle Pacific Corporation of Dallas, Texas completed construction of its Bruce Hardwood Floors plant in the Dailey Exchange. The plant, which has 14 acres under one roof, is the world's largest wood manufacturing plant and one of the most technically advanced production facilities in the nation. Located on U.S. Route 219, south of Beverly, the plant currently employs about 400 people. The plant has the potential of utilizing up to 1 million board feet of oak lumber per week. In August, 1995, the company announced plans to expand the Dailey plant at a cost of $6 million. Another 200 people will be hired at the facility by the end of 1996, bringing total employment to 600.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Davy

EXCHANGE CODE: 5040

NNX CODE(S): 656

STATE: West Virginia

DISTRICT: Southern West Virginia

COUNTY: McDowell

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: CXP5

C.O. CONVERSION YEAR: 1996

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	498	(94.0%)
BUSINESS:	32	(6.0%)
TOTAL:	530	

EXCHANGE AREA: 20 Square Miles

DENSITY: 27 Lines / Square Mile

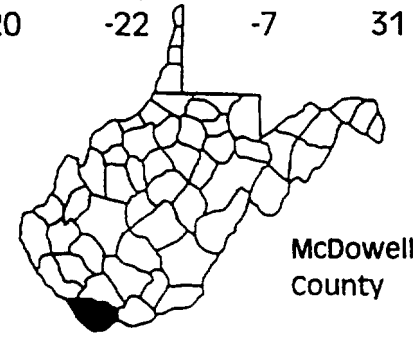
PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:

	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	0	-19	-22	-7	32	11
BUSINESS:	-3	-1	0	0	-1	0
TOTAL:	-3	-20	-22	-7	31	11

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 1,615
- Estimated Exchange Households: 598
- Est. Residential Service Penetration: 83%



ECONOMIC SYNOPSIS: As the coal industry has declined, so has the Town of Davy. Coal has been the lifeblood of the community. Many of the older mines in the area have closed or have cut their labor force, leaving many miners out of work. The area is served by only one road (McDowell County Route 7), a long, tortuous, winding, narrow, mountainous road, which severely limits the establishment of new businesses in the area. In April, 1994, McDowell County's Solid Waste Authority signed a contract with the Brookfield Group of Terre Haute, Indiana, for the construction and management of a municipal solid waste to ethanol plant. The new plant, which will located at Marytown, will handle up to 1,200 tons of solid waste per day and produce about 15 million gallons of ethanol annually. The facility will employ about 100 people.

Davy is scheduled to convert to a DMS-RLCM switch on July 1, 1996.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Hacker Valley

EXCHANGE CODE: 0493

NNX CODE(S): 493

STATE: West Virginia

DISTRICT: Northern West Virginia

COUNTY: WEBSTER, Upshur

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: SC-RLS

C.O. CONVERSION YEAR: 1992

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	274	(89.5%)
BUSINESS:	32	(10.5%)
TOTAL:	306	

EXCHANGE AREA: 83 Square Miles

DENSITY: 4 Lines / Square Mile

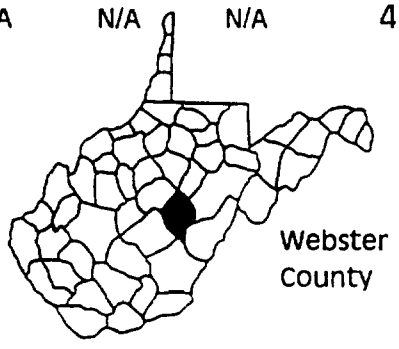
PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:

	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	N/A	N/A	N/A	N/A	7	2
BUSINESS:	N/A	N/A	N/A	N/A	-3	2
TOTAL:	N/A	N/A	N/A	N/A	4	4

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 846
- Estimated Exchange Households: 321
- Est. Residential Service Penetration: 85%



ECONOMIC SYNOPSIS: Hacker Valley is a rural exchange in northern Webster County. Farming and timbering provide jobs for some of the residents. Holly River State Park covers much of the eastern portion of the exchange.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Marlinton

EXCHANGE CODE: 0799

NNX CODE(S): 799

STATE: West Virginia

DISTRICT: Northern West Virginia

COUNTY: Pocahontas

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: SC-DCO

C.O. CONVERSION YEAR: 1985

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	1,721	(78.6%)
BUSINESS:	468	(21.4%)
TOTAL:	2,189	

EXCHANGE AREA: 335 Square Miles

DENSITY: 7 Lines / Square Mile

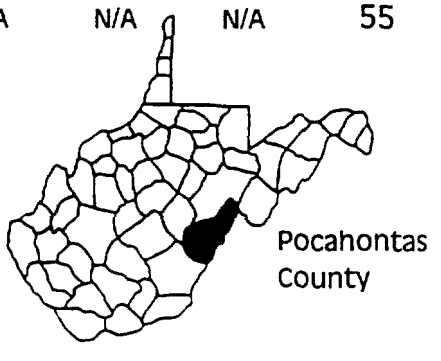
PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:

	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	N/A	N/A	N/A	N/A	18	24
BUSINESS:	N/A	N/A	N/A	N/A	37	11
TOTAL:	N/A	N/A	N/A	N/A	55	35

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 4,719
- Estimated Exchange Households: 1,939
- Est. Residential Service Penetration: 89%



ECONOMIC SYNOPSIS: Marlinton is a large, rural exchange covering most of the southern half of Pocahontas County. At 335 square miles, the exchange has the largest geographical area of any Citizens Telecom exchange in West Virginia. Located on the Greenbrier River, the Town of Marlinton is the county seat of Pocahontas County. Most of the exchange is located in the Monongahela National Forest. Portions of Seneca State Forest are also in the exchange. The area is a very popular hunting and fishing mecca. The economy is supported by agriculture and timber operations.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Oakvale

EXCHANGE CODE: 5100

NNX CODE(S): 898

STATE: West Virginia

DISTRICT: Southern West Virginia

COUNTY: Mercer

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: GTD5-RSU

C.O. CONVERSION YEAR: 1983

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	655	(95.6%)
BUSINESS:	30	(4.4%)
TOTAL:	685	

EXCHANGE AREA: 42 Square Miles

DENSITY: 16 Lines / Square Mile

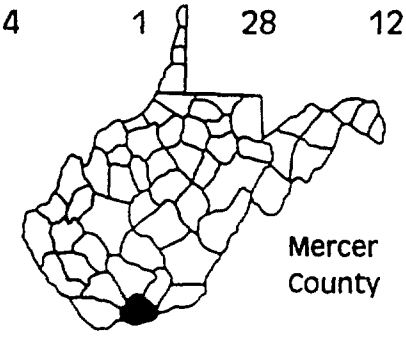
PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:

	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	-3	19	3	24	9	19
BUSINESS:	2	-5	-2	4	3	1
TOTAL:	-1	14	1	28	12	20

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 1,932
- Estimated Exchange Households: 760
- Est. Residential Service Penetration: 86%



ECONOMIC SYNOPSIS: Almost no industry exists within Oakvale's exchange boundaries. The economy is supported by employment in the adjacent community of Princeton. Limited residential construction has occurred in recent years. A modern, 4-lane expressway passes through the Oakvale exchange, which should help bring some residential and commercial growth in the future. Fairchild International has a large plant across the state line in neighboring Glen Lyn, Virginia, which designs and manufacturers coal mining equipment.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Sardis

EXCHANGE CODE: 8663

NNX CODE(S): 783

STATE: West Virginia

DISTRICT: Northern West Virginia

COUNTY: Harrison

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: DMS-RSLE

C.O. CONVERSION YEAR: 1993

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	855	(96.0%)
BUSINESS:	36	(4.0%)
TOTAL:	891	

EXCHANGE AREA: 50 Square Miles

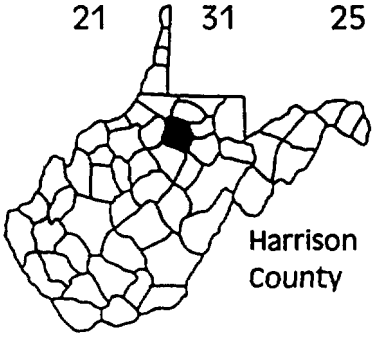
DENSITY: 18 Lines / Square Mile

PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	5	24	23	25	22	17
BUSINESS:	2	-2	-2	6	3	3
TOTAL:	7	22	21	31	25	20

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 2,371
- Estimated Exchange Households: 920
- Est. Residential Service Penetration: 93%



ECONOMIC SYNOPSIS: Sardis is a small exchange about 10 miles northwest of Clarksburg, West Virginia. In 1995, construction was completed on the F.B.I. Criminal Justice Information Services Division Headquarters along Interstate 79, north of Clarksburg. The 748,370 square foot, $246 million complex currently employs about 1,100 people, but will employ about 2,500 people by 1998. Although Sardis is in a rural area served only by local county roads, the exchange should experience residential growth due to development being spawned by the new F.B.I. Center. Salem-Teikyo College is located in Harrison County in the Town of Salem, southwest of the Sardis Exchange. Salem-Teikyo had a fall, 1994 enrollment of 811 students.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Wardensville

EXCHANGE CODE: 5320

NNX CODE(S): 874

STATE: West Virginia

DISTRICT: Northern West Virginia

COUNTY: HARDY, Hampshire

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: DMS-RSLE

C.O. CONVERSION YEAR: 1995

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	745	(87.3%)
BUSINESS:	108	(12.7%)
TOTAL:	853	

EXCHANGE AREA: 29 Square Miles

DENSITY: 29 Lines / Square Mile

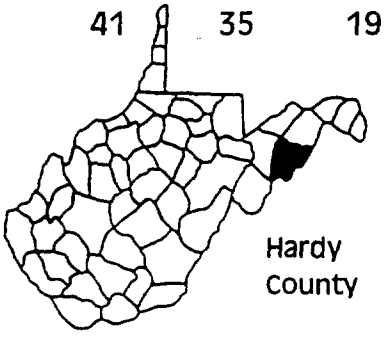
PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:

	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	-7	9	36	33	15	50
BUSINESS:	-8	-6	5	2	4	5
TOTAL:	-15	3	41	35	19	55

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 2,160
- Estimated Exchange Households: 845
- Est. Residential Service Penetration: 88%



ECONOMIC SYNOPSIS: Farming and forest products provide the economic foundation for the Wardensville Exchange. Hunters and fishermen are attracted to the area because to its abundant wildlife. Being a rural exchange in rugged terrain with the lack of modern highways limits its potential to draw new business, but the town does have a small industrial park. Part of the exchange boundary is on the state line with northern Virginia, which should provide some spillover population for the Wardensville area. In 1991, a branch of the West Virginia University Poultry Research Center was constructed in Wardensville. The $3.76 million research center is enabling the poultry industry to become more productive by finding ways to increase meat and egg yield.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Dresden

EXCHANGE CODE: 4120

NNX CODE(S): 364

STATE: Tennessee

DISTRICT: Tennessee

COUNTY: Weakley

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: DMS-10

C.O. CONVERSION YEAR: 1989

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	2,345	(77.9%)
BUSINESS:	665	(22.1%)
TOTAL:	3,010	

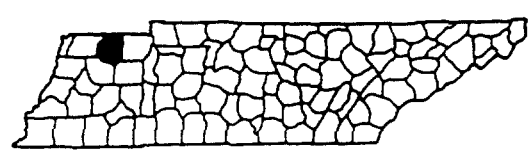
EXCHANGE AREA: 110 Square Miles

DENSITY: 27 Lines / Square Mile

PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	44	-3	44	42	71	84
BUSINESS:	48	25	5	50	41	17
TOTAL:	92	22	49	92	112	101

DEMOGRAPHIC / ECONOMIC PROFILE:



Weakley County

- Estimated Exchange Population: 6,818
- Estimated Exchange Households: 2,554
- Est. Residential Service Penetration: 92%

ECONOMIC SYNOPSIS: The City of Dresden is the county seat of Weakley County. Most of the area is rural farm land. The major employers in the exchange include Ringier America (940 employees) and Stetson Boot & Shoe Company (250 employees). Republic Builders, a manufacturer of steel doors, is considering the expansion of its operations into Dresden. It may occupy the former Dico plant, a 136,000 square foot facility on Route 22, which has been vacant since 1989. The expansion would mean about a 100 new jobs for the area.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Sidonia

EXCHANGE CODE: 4160

NNX CODE(S): 973

STATE: Tennessee

DISTRICT: Tennessee

COUNTY: WEAKLEY, Obion

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: DMS-RLCM

C.O. CONVERSION YEAR: 1990

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	309	(92.5%)
BUSINESS:	25	(7.5%)
TOTAL:	334	

EXCHANGE AREA: 23 Square Miles

DENSITY: 15 Lines / Square Mile

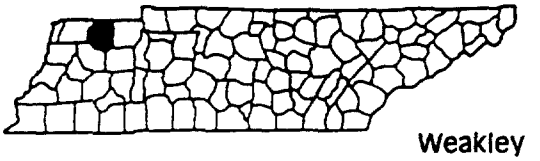
PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:

	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	0	4	8	1	3	12
BUSINESS:	0	1	0	-7	2	1
TOTAL:	0	5	8	-6	5	13

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 897
- Estimated Exchange Households: 336
- Est. Residential Service Penetration: 92%



Weakley County

ECONOMIC SYNOPSIS: Located in southwestern Weakley County, the economy of the Sidonia Exchange is based on production of agricultural products.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Broadalbin

EXCHANGE CODE: 5341

NNX CODE(S): 883

STATE: New York

DISTRICT: North (Johnstown)

COUNTY: Fulton, Saratoga

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: RSC

C.O. CONVERSION YEAR: 1987

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	3,215	(88.2%)
BUSINESS:	431	(11.8%)
TOTAL:	3,646	

EXCHANGE AREA: 88 Square Miles

DENSITY: 41 Lines / Square Mile

PERCENT 1-PARTY: 92.5 %

ACCESS LINE GAIN HISTORY:	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	0	140	150	97	61	59
BUSINESS:	0	(17)	13	21	22	11
TOTAL:	0	123	163	118	83	70

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 3,345
- Estimated Exchange Households: 6,431
- Est. Residential Service Penetration: 50%

The Broadalbin exchange is intersected by major Routes 29 and 30, providing convenient access to the Amsterdam, Gloversville, Johnstown, and Saratoga areas. The exchange contains approximately eight miles of Great Sacandaga Lake shore, making it attractive to both seasonal property investors and prospective year-round residents. The area offers water sports in the summer and sking in the winter. The permanent population falls into two broad categories: About a third of Broadalbin's population is classified as blue collar workers with families earning average incomes and owning newer homes. Over half the population is classified as older blue collar workers with below average incomes, low mobility, and older housing. A new and growing element is professional and managerial commuters to Saratoga and the Capital District. The seasonal population is a mixed group. Several residential developments and trailer parks are expanding at surprising speed. In addition to permanent residential growth, Broadalbin is also experiencing growth from new seasonal residential construction and increased demand for services from existing seasonal units. Major customers are Broadalbin-Perth Central Schools, Broadalbin Manufacturing Co., Fiber Conversion and Mohawk Furniture. No dramatic business growth is expected in Broadalbin.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Fonda

EXCHANGE CODE: 5343

NNX CODE(S): 853

STATE: New York

DISTRICT: North (Johnstown)

COUNTY: Montgomery

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: RSC

C.O. CONVERSION YEAR: 1991

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	1,423	(69.6%)
BUSINESS:	622	(30.4%)
TOTAL:	2,045	

EXCHANGE AREA: 39 Square Miles

DENSITY: 52 Lines / Square Mile

PERCENT 1-PARTY: 100 %

ACCESS LINE GAIN HISTORY:	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	0	11	46	10	42	14
BUSINESS:	0	(1)	8	61	36	4
TOTAL:	0	10	54	71	78	18

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 1,490
- Estimated Exchange Households: 3,948
- Est. Residential Service Penetration: 36%

The exchange contains the Towns of Fonda and Fultonville and is bisected by the Mohawk River. Amtrak lines and the NYS Thruway run through the exchange. The Capital District is easily reached by Routes 5, 5S, and the Thruway. The population of Fonda falls into two primary groups: There are older blue collar households living in very old housing, earning below average incomes, and having low mobility. The other group is rural families with children, earning average incomes, and living in newer homes. Fonda is experiencing some influx of commuters from the Capital District. This is resulting in increased scattered home construction outside the business district. Growth within the business district should come primarily from subdividing older houses into apartments. Subdivisions are slow to materialize. Fonda is the Montgomery County Seat. Major customers are Keymark Corp. and Kasson and Keller, Leaseway, Travel Port, Cloverleaf Motel, Poplars Motel, Lane Construction, U.S. Soil Conservation Service, Fonda Fairground and Stock Car Track, Central National Bank, Mohawk Valley Democrat, Fonda-Fultonville Central Schools, Montgomery County offices, Town of Mohawk offices, Brown Transportation, White Mop, Agway, Auriesville Shrine, State Police and the Mohawk River and Barge Canal offices. No dramatic business growth is expected.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Lake Pleasant

EXCHANGE CODE: 5351

NNX CODE(S): 548

STATE: New York

DISTRICT: North (Johnstown)

COUNTY: Hamilton

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: RSC

C.O. CONVERSION YEAR: 1981

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	1,477	(84.5%)
BUSINESS:	271	(15.5%)
TOTAL:	1,748	

EXCHANGE AREA: 134 Square Miles

DENSITY: 13 Lines / Square Mile

PERCENT 1-PARTY: 84.9 %

ACCESS LINE GAIN HISTORY:	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	0	65	53	24	28	22
BUSINESS:	0	3	(1)	9	7	4
TOTAL:	0	68	52	33	35	26

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 1,507
- Estimated Exchange Households: 911
- Est. Residential Service Penetration: 162%

Located at the junction of major Adirondack arteries, Routes 8 and 30, Lake Pleasant includes the villages of Speculator and Piseco and the towns of Lake Pleasant and Arietta. Lake Pleasant is the Hamilton County Seat. The exchange offers three state camp sites, winter and water sports, hiking, hunting, and fishing. The exchange is about an hour's drive from Interstate 83 and the NYS Thruway. During peak summer months, seasonal residents outnumber the local population by approximately 5 to 1. Most of the local population is involved in seasonal service businesses, construction trades, or town and county governmental work. About a dozen extremely wealthy retirees live in the exchange year-round. In general, the affluence level of seasonal residents is higher than that of local residents. Growth in the exchange will continue to be from scattered new seasonal construction and new services to existing seasonal units. Major customers include Camp of the Woods, Hamilton County Offices, and Wilt Industries. No dramatic business growth is expected. Camp of the Woods has no expansion plans in the immediate future and the county plans no increased service to its Lake Pleasant complex. Growth should be very light from new small businesses. This Adirondack resort is not far from the Herkimer/Rome/Utica areas, and if the economy there begins to spark, this exchange should show better growth results.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Old Forge

EXCHANGE CODE: 5428

NNX CODE(S): 369

STATE: New York

DISTRICT: North (Boonville)

COUNTY: Herkimer, Oneida
Lewis

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: RNS

C.O. CONVERSION YEAR: 1985

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	1,853	(79.9%)
BUSINESS:	466	(20.1%)
TOTAL:	2,319	

EXCHANGE AREA: 232 Square Miles

DENSITY: 10 Lines / Square Mile

PERCENT 1-PARTY: 88.3 %

ACCESS LINE GAIN HISTORY:	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	0	21	37	34	38	11
BUSINESS:	0	20	7	16	31	19
TOTAL:	0	41	44	50	69	30

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 1,904
- Estimated Exchange Households: 833
- Est. Residential Service Penetration: 222%

Located at the beginning of the Fulton Chain of Lakes, the Old Forge exchange contains the hamlets of Otter Lake and Thendara and the Village of Old Forge. Route 28, the major artery through the central Adirondacks, bisects the exchange. The exchange is in Adirondack Park. Old Forge is highly seasonal, and camps are found clustered along the shores of its many lakes. Marinas, boat rental facilities, and public boat launches are conveniently located. Downhill and cross-country skiing and snowmobile trails are available. Seasonal residents and transient seasonal employees outnumber local residents by as much as 9 to 1 during the summer season. The Enchanted Forest, an amusement park and water slide world, attracts several thousand visitors on an average summer day; an estimated 2,500 snowmobilers invade the area on an average winter weekend. As in most Adirondack seasonal exchanges, there is an increasingly wide gap between the affluence levels of seasonal and permanent residents. Seasonal residence growth is expected to remain strong. Existing and planned developments promise growth in future years. The average local resident is employed in a seasonal service businesses. Old Forge Hardware, the Town of Webb offices, Enchanted Forest, KOA campground, the Health Center, and Town of Webb Schools rank as major customers. Many motels, resorts, marinas, and realtors are active customers during the seasonal months.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Almond

EXCHANGE CODE: 7012

NNX CODE(S): 276

STATE: New York

DISTRICT: Central (Alfred)

COUNTY: Allegany, Steuben

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: RLS1080

C.O. CONVERSION YEAR: 1995

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	620	(88.1%)
BUSINESS:	84	(11.9%)
TOTAL:	704	

EXCHANGE AREA: 43 Square Miles

DENSITY: 16 Lines / Square Mile

PERCENT 1-PARTY: 97.0 %

ACCESS LINE GAIN HISTORY:	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	0	22	6	27	(21)	0
BUSINESS:	0	4	3	10	4	(3)
TOTAL:	0	26	9	37	(17)	(3)

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 620
- Estimated Exchange Households: 1,427
- Est. Residential Service Penetration: 43%

The Almond exchange is located on Highway 21. It serves the Town of Almond plus parts of other towns in Allegany and Steuben Counties. The Village of Almond is five miles southwest of Hornell and five miles north of Alfred. The exchange is primarily farming country. The area is also a bedroom community for employees and students in the nearby villages. State reforestation land covers a substantial portion of the exchange. One pending fifty lot subdivision is promising, but it will probably grow slowly. Changing college policies and student whims seem to influence Almond's growth more than any other factor. The 1990 census figures show Almond to have above average statistics in various key categories. These categories include median income, household values, and percentage of high school and college graduates. There are no major businesses.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Cincinnatus

EXCHANGE CODE: 7213

NNX CODE(S): 863

STATE: New York

DISTRICT: Central (Norwich)

COUNTY: Cortland, Chenango

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: RSC

C.O. CONVERSION YEAR: 1991

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	1,224	(87.2%)
BUSINESS:	179	(12.8%)
TOTAL:	1,403	

EXCHANGE AREA: 96 Square Miles

DENSITY: 15 Lines / Square Mile

PERCENT 1-PARTY: 92.4 %

ACCESS LINE GAIN HISTORY:	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	0	4	45	7	26	16
BUSINESS:	0	3	12	12	7	10
TOTAL:	0	7	57	19	33	26

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 1,274
- Estimated Exchange Households: 2,338
- Est. Residential Service Penetration: 52%

Cincinnatus serves portions of eastern Cortland and northwestern Chenango Counties. The area is remote from big cities. The topography is wide valleys and rolling hills with open expanses of pasture land. This is basically a farming and bedroom community. Census data shows this area to be below county and state averages in education levels, median incomes, and household median values. Mobile homes represent about 18 percent of the existing housing. This area does not have mobile home ordinances as many of its neighbors do. This fact seems to promote mobile home growth in the area. There are various residential developments and trailer parks active in this exchange. The central school system and Agway are the two major customers.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Etna

EXCHANGE CODE: 7021

NNX CODE(S): 347

STATE: New York

DISTRICT: Central (Chenango Bridge)

COUNTY: Tompkins

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: RSLE

C.O. CONVERSION YEAR: 1992

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	809	(74.8%)
BUSINESS:	273	(25.2%)
TOTAL:	1,082	

EXCHANGE AREA: 15 Square Miles

DENSITY: 72 Lines / Square Mile

PERCENT 1-PARTY: 99.4 %

ACCESS LINE GAIN HISTORY:	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	0	15	2	9	22	(4)
BUSINESS:	0	23	25	(5)	(9)	3
TOTAL:	0	38	27	4	13	(1)

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 828
- Estimated Exchange Households: 2,046
- Est. Residential Service Penetration: 40%

The Etna Exchange serves part of the Town of Dryden, which is a suburb of Ithaca, located at the southern tip of the Cayuga Lake Valley. It is located a few miles from the lake and has no lake views. Census statistics show the town and county have a young population with small households and good incomes. Over 80 percent of the population over the age of 25 has a college degree. However, all these impressive figures are misleading. Etna does not exemplify other portions of the county. Thirty-two percent of Etna's housing is trailers, many in shabby mobile home parks. Another twenty-two percent are low income apartments, many seasonally occupied by college students. A county official described Etna as the "hole in the doughnut". The area surrounding Etna is nice and is growing, but Etna has problems. Nevertheless, some residential housing will continue to be built in the Etna area. The exchange has a few nice residential areas, which should see moderate growth. New York State Electric and Gas (NYSEG) is Etna. NYSEG employs about 500 here. One half of their corporate headquarters is housed in this major complex. Their local service center also operates from this building. Other major customers are Allmode, Serv-Rite, Seneca Supply, and Warnick Furniture. Business growth will result from expansion of a few of the existing businesses, plus some new construction along State Route 13.

EXCHANGE PROFILE

CITIZENS TELECOM

EXCHANGE: Jasper

EXCHANGE CODE: 7015

NNX CODE(S): 792

STATE: New York

DISTRICT: Central (Alfred)

COUNTY: Steuben

DATE OF THIS REPORT: 12/95

EQUIPMENT TYPE: RLS1080

C.O. CONVERSION YEAR: 1995

SWITCHED ACCESS LINES IN-SERVICE:

RESIDENTIAL:	384	(87.9%)
BUSINESS:	53	(12.1%)
TOTAL:	437	

EXCHANGE AREA: 38 Square Miles

DENSITY: 12 Lines / Square Mile

PERCENT 1-PARTY: 93.1 %

ACCESS LINE GAIN HISTORY:	1990	1991	1992	1993	1994	1995
RESIDENTIAL:	0	11	16	15	7	4
BUSINESS:	0	1	(4)	6	(1)	4
TOTAL:	0	12	12	21	6	8

DEMOGRAPHIC / ECONOMIC PROFILE:

- Estimated Exchange Population: 428
- Estimated Exchange Households: 1,198
- Est. Residential Service Penetration: 32%

The Jasper exchange is located in south-central Steuben County at the junction of Highways 36 and 417. It is twelve miles north of the Pennsylvania State Line, seventeen miles south of Hornell, and twenty-three miles west of Corning. Dairy farming is Jasper's main industry. Other employment and shopping must be found in the larger villages. There are few businesses in Jasper.