

MINIMUM FILING REQUIREMENTS

**FIDELITY TELEPHONE COMPANY
SULLIVAN, MISSOURI**

DECEMBER 30, 2003

FIDELITY TELEPHONE COMPANY
ANNUAL DOLLAR AND PERCENT INCREASE OVER CURRENT REVENUES

Proposed Annual Aggregate Intrastate Increase	\$2,359,972
Percent Increase Over Current (Adjusted) Total Intrastate Revenue	30%

FIDELITY TELEPHONE COMPANY

COUNTIES AND COMMUNITIES AFFECTED BY PROPOSED RATE INCREASE

Counties

Crawford
Franklin
Gasconade
Washington
Osage

Communities (Exchanges)

Sullivan
Gerald
Owensville
New Haven
Stanton
Spring Bluff
Japan
Lyon
Berger

FIDELITY TELEPHONE COMPANY
AVERAGE INCREASE IN DOLLARS, CENTS AND % OF INCREASE OVER RATES

See attached schedule RCS-10 from the Direct Testimony of Robert C. Schoonmaker.

Fidelity Telephone Company Summary of Rate Changes

(a)	SERVICE DESCRIPTION	CURRENT RATE	NEW RATE	RATE CHANGE	MONTHLY or ANNUAL UNITS	Total Revenue Impact	% Increase
		(c)	(d)	(e)	(f) / (g)	(h)	(i) / (j)
1 Phone Lines	Residential One Party Line	\$ 7.55	\$ 11.25	\$ 3.70	12,471	\$ 553,712	49.01%
2 Business One Party Line		\$ 14.25	\$ 18.95	\$ 4.70	3,344	\$ 188,602	32.98%
3 Trunking service		\$ 21.40	\$ 28.70	\$ 7.30	115	\$ 10,074	34.11%
4 Total Phone Lines						\$ 752,388	44.18%
5 Total Phone Lines							31.9%
6							
7							
8 Dedicated Services	Direct Inward Dial (DID) - 1st 100 numbers	\$ 235.00	\$ 295.00	\$ 60.00	4	\$ 2,880	25.53%
9 Direct Inward Dial (DID) - 2nd 100 numbers		\$ 50.00	\$ 65.00	\$ 15.00	2	\$ 360	30.00%
10 Direct Inward Dial (DID) - 1st 20 numbers		\$ 60.00	\$ 80.00	\$ 20.00	10	\$ 2,400	33.33%
11 ISDN Single Line - Residential		\$ 40.00	\$ 50.00	\$ 10.00	2	\$ 240	25.00%
12 ISDN Single Line - Business		\$ 50.00	\$ 62.50	\$ 12.50	10	\$ 1,500	25.00%
13 ISDN PRI 5 year contract		\$ 575.00	\$ 862.00	\$ 287.00	1	\$ 3,444	49.91%
14 ISDN PRI 3 year contract		\$ 620.00	\$ 930.00	\$ 310.00	0	-	50.00%
15 ISDN PRI 6 month contract		\$ 690.00	\$ 1,035.00	\$ 345.00	15	\$ 62,100	50.00%
16 Loop charge		\$ 8.00	\$ 11.25	\$ 3.25	400	\$ 15,600	40.63%
17							
18 Total Dedicated Services						\$ 88,524	45.13%
19							3.8%
20 Payphones	Payphone Service - 2 way, 1 way & CO implemented	\$ 14.75	\$ 18.95	\$ 4.20	251	\$ 12,650	28.47%
21							
22 Total Payphones						\$ 12,650	28.47%
23							0.5%
24							
25 Installations, Moves, Changes	Installation Residential line	\$ 25.00	\$ 32.50	\$ 7.50	1,390	\$ 10,425	30.00%
26 Move Residential service		\$ 15.00	\$ 20.00	\$ 5.00	758	\$ 3,790	33.33%
27 (Nonrecurring Charges)	Installation Loop	\$ 15.00	\$ 20.00	\$ 5.00	159	\$ 795	33.33%
28 Installation Smartfeatures		\$ 5.00	\$ 6.25	\$ 1.25	1,285	\$ 1,606	25.00%
29 Installation Business line		\$ 40.00	\$ 48.00	\$ 8.00	13	\$ 104	20.00%
30 Installation Business - Additional lines		\$ 10.00	\$ 12.50	\$ 2.50	42	\$ 105	25.00%
31 Move Business service		\$ 30.00	\$ 36.00	\$ 6.00	7	\$ 42	20.00%
32 Move Business service - Additional lines		\$ 5.00	\$ 6.25	\$ 1.25	4	\$ 5	25.00%
33 Name or number change		\$ 5.00	\$ 6.25	\$ 1.25	523	\$ 654	25.00%
34 Reconnect charge after suspension		\$ 20.00	\$ 25.00	\$ 5.00	1,478	\$ 7,390	25.00%
35							
36 Total Installations, Moves, Changes						\$ 24,916	28.23%
37							1.1%
38							

Fidelity Telephone Company
Summary of Rate Changes

(a)	SERVICE DESCRIPTION	CURRENT RATE		NEW RATE		RATE CHANGE		MONTHLY or ANNUAL UNITS	Total Revenue Impact	% Increase	% of Total
		(c)	(d)	(e)	(f)	(g)	(h)				
39											
40	Calling Features										
41	EB5-1 package of 6 add-on features	\$ 13.00	\$ 16.00	\$ 3.00	15	\$ 540	23.08%				
42	EB5-11 package of 6 add-on features	\$ 15.00	\$ 18.00	\$ 3.00	14	\$ 504	20.00%				
43	Smart call forwarding	\$ 2.00	\$ 2.50	\$ 0.50	210	\$ 1,260	25.00%				
44	Smart call forwarding/busy line	\$ 0.75	\$ 1.25	\$ 0.50	614	\$ 3,684	66.67%				
45	Smart call waiting	\$ 2.75	\$ 3.25	\$ 0.50	2,593	\$ 15,558	18.18%				
46	Smart automatic call back	\$ 2.50	\$ 3.25	\$ 0.75	77	\$ 693	30.00%				
47	Smart caller ID number delivery	\$ 3.75	\$ 4.75	\$ 1.00	2,425	\$ 29,100	26.67%				
48	Smart caller ID name & number delivery - Res.	\$ 6.00	\$ 7.25	\$ 1.25	1,988	\$ 29,820	20.83%				
49	Smart caller ID name & number delivery - Bus.	\$ 10.00	\$ 12.00	\$ 2.00	91	\$ 2,184	20.00%				
50	Smart selective call rejection	\$ 2.50	\$ 3.25	\$ 0.75	104	\$ 936	30.00%				
51	Smart Economy package	\$ 6.00	\$ 6.95	\$ 0.95	79	\$ 901	15.83%				
52	Smart Family package	\$ 9.00	\$ 9.95	\$ 0.95	6	\$ 68	10.56%				
53	Smart The Ultimate package	\$ 10.00	\$ 10.95	\$ 0.95	275	\$ 3,135	9.50%				
54	Total Calling Features					\$ 88,383	21.61%				3.7%
55											
56											
57	Intralata Toll Calling Plans										
58	OCA 2 hour plan - business	\$ 10.80	\$ 12.00	\$ 1.20	15	\$ 216	11.11%				
59	OCA 5 hour plan - business	\$ 24.50	\$ 27.00	\$ 2.50	32	\$ 960	10.20%				
60	OCA 2 hour plan - residential	\$ 9.60	\$ 10.80	\$ 1.20	126	\$ 1,814	12.50%				
61	OCA 5 hour plan - residential	\$ 21.85	\$ 24.50	\$ 2.65	110	\$ 3,498	12.13%				
62	Total Intralata Toll Calling Plans					\$ 6,488	11.86%				0.3%
63											
64											
65	Directory/Operator										
66	Directory assistance - first 3 per month	\$ -	\$ 0.50	\$ 0.50		\$ 93,907	46,954	11.11%			
67	Directory assistance per call after 3	\$ 0.45	\$ 0.50	\$ 0.05		\$ 37,214	1,861	50.00%			
68	Busy line status verification	\$ 1.00	\$ 1.50	\$ 0.50		\$ 714	357	40.00%			
69	Busy line interrupt	\$ 1.25	\$ 1.75	\$ 0.50	2,269	\$ 119	50.00%				
70	Directory Listing - Nonpublished	\$ 1.00	\$ 1.50	\$ 0.50	188	\$ 13,614	50.00%				
71	Directory Listing - Unlisted	\$ 1.00	\$ 1.50	\$ 0.50	6	\$ 1,128	50.00%				
72	Directory Listing - Additional-Variety	\$ 1.00	\$ 1.50	\$ 0.50	457	\$ 36	50.00%				
73	Directory Listing - Additional-Extra	\$ 1.00	\$ 1.50	\$ 0.50		\$ 2,742	50.00%				
74	Total Directory/Operator					\$ 66,810	126.54%				2.8%
75											
76											
77	Other										
78	Late payment charge	\$ 5.00	\$ 5.50	\$ 0.50		\$ 29,340	14,670	10.00%			
79	Total Other					\$ 14,670	10.00%				0.6%
80											
81	Access Services										
82						\$ 1,305,142	36.18%				55.3%
83	Grand Total Rate Changes					\$ 2,359,972	29.93%				100.00%

FIDELITY TELEPHONE COMPANYPROPOSED ANNUAL DOLLAR AND PERCENT INCREASE BY GENERAL
CATEGORIES OF SERVICE

Line No.	Categories	Annual Increase	% Increase
1.	Phone Lines	\$ 752,388	44.18%
2.	Dedicated Services	\$ 88,524	45.13%
3.	Payphones	\$ 12,650	28.47%
4.	Nonrecurring Charges	\$ 24,916	28.23%
5.	Calling Features	\$ 88,383	21.61%
6.	Intralata Toll	\$ 6,488	11.86%
7.	Directory/Operator	\$ 66,810	126.54%
8.	Other-Late Pay	\$ 14,670	10.00%
9.	Access Services	\$1,305,143	36.50%
TOTAL		\$2,359,972	29.93%

FIDELITY TELEPHONE COMPANY
PRESS RELEASES

No press releases have been issued. However, notification of the proposed filing is being sent to all local exchange and access customers (see copy of customer notices attached).



December 15, 2003

Dear Customer:

Within the next few days, Fidelity Telephone Company will be filing a request with the Missouri Public Service Commission to make changes in our local service rates.

Remarkably, Fidelity's local rates have not increased in over 16 years. In fact, for most customers our rates are lower than they were in 1987. How has this been possible? There are two major factors: productivity improvements and cost reductions in technology. Fidelity has made every effort to keep costs down for its customers, but those efforts can no longer provide the support necessary to keep our rates at current levels. Fidelity's objective continues to be providing the best service at the best possible price. To do that, we must request an increase in our rates to account for reduced revenue and increased cost of providing service.

Under our proposal, basic residential phone service will go from \$7.55 to \$11.25 per month and basic business rates will go from \$14.25 to \$18.95 per month. Several of our "SmartFeatures" will go up as well. The full list of affected services is enclosed with this letter.

Fidelity will propose that its rate changes become effective thirty days after they are filed. However, it is likely that the Public Service Commission will suspend the proposed changes while a detailed audit and hearings are conducted by its Staff and other appropriate parties. These processes could delay any pricing changes for as much as six months.

It is also likely that the Commission will hold a public hearing in our service area where customers will have an opportunity to ask questions or make comments. We will notify you of the time, date and location of that meeting when the information is available. You may call our office at 573-468-8081 if you have any questions.

Fidelity looks forward to continuing to provide you with state of the art, reliable service at reasonable prices.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Davis", is written over a horizontal line.

John T. Davis
President

Enclosure

Fidelity Telephone Company
Proposed Rate Changes

		CURRENT RATE	PROPOSED RATE
SERVICE DESCRIPTION			
Phone lines	Residential One Party Line	\$ 7.55	\$ 11.25
	Business One Party Line	\$ 14.25	\$ 18.95
	Trunking service	\$ 21.40	\$ 28.70
Calling "SmartFeatures"	Smart call forwarding	\$ 2.00	\$ 2.50
	Smart call forwarding/busy line	\$ 0.75	\$ 1.25
	Smart call waiting	\$ 2.75	\$ 3.25
	Smart automatic call back	\$ 2.50	\$ 3.25
	Smart caller ID number delivery	\$ 3.75	\$ 4.75
	Smart caller ID name & number delivery - Res.	\$ 6.00	\$ 7.25
	Smart caller ID name & number delivery - Bus.	\$ 10.00	\$ 12.00
	Smart selective call rejection	\$ 2.50	\$ 3.25
	Smart Economy package	\$ 6.00	\$ 6.95
	Smart Family package	\$ 9.00	\$ 9.95
	Smart The Ultimate package	\$ 10.00	\$ 10.95
	EBS-I package of 6 add-on features	\$ 13.00	\$ 16.00
	EBS-II package of 6 add-on features	\$ 15.00	\$ 18.00
Dedicated Services	Direct Inward Dial (DID) - 1st 100 numbers	\$ 235.00	\$ 295.00
	Direct Inward Dial (DID) - 2nd 100 numbers	\$ 50.00	\$ 65.00
	Direct Inward Dial (DID) - 1st 20 numbers	\$ 60.00	\$ 80.00
	ISDN Single Line - Residential	\$ 40.00	\$ 50.00
	ISDN Single Line - Business	\$ 50.00	\$ 62.50
	ISDN PRI 5 year contract	\$ 575.00	\$ 862.00
	ISDN PRI 3 year contract	\$ 620.00	\$ 930.00
	ISDN PRI 6 month contract	\$ 690.00	\$ 1,035.00
	Loop cable pair point to point & bridge	\$ 8.00	\$ 11.25
Payphones	Payphone Service	\$ 14.75	\$ 18.95
Installations, Moves, Changes (Nonrecurring Charges)	Installation Residential line	\$ 25.00	\$ 32.50
	Move Residential service	\$ 15.00	\$ 20.00
	Installation Loop	\$ 15.00	\$ 20.00
	Installation Smartfeatures	\$ 5.00	\$ 6.25
	Installation Business line	\$ 40.00	\$ 48.00
	Installation Business - Additional lines	\$ 10.00	\$ 12.50
	Move Business service	\$ 30.00	\$ 36.00
	Move Business service - Additional lines	\$ 5.00	\$ 6.25
	Name or number change	\$ 5.00	\$ 6.25
	Reconnect charge after suspension	\$ 20.00	\$ 25.00
IntraLATA Toll Calling Plans	OCA 2 hour plan - business	\$ 10.80	\$ 12.00
	OCA 5 hour plan - business	\$ 24.50	\$ 27.00
	OCA 2 hour plan - residential	\$ 9.60	\$ 10.80
	OCA 5 hour plan - residential	\$ 21.85	\$ 24.50
Directory/Operator	Directory assistance - first 3 per month	\$ -	\$ 0.50
	Directory assistance per call after 3	\$ 0.45	\$ 0.50
	Busy line status verification	\$ 1.00	\$ 1.50
	Busy line interrupt	\$ 1.25	\$ 1.75
	Directory Listing - Nonpublished	\$ 1.00	\$ 1.50
	Directory Listing - Unlisted	\$ 1.00	\$ 1.50
	Directory Listing - Additional-Vanity	\$ 1.00	\$ 1.50
	Directory Listing - Additional-Extra	\$ 1.00	\$ 1.50
Other	Late payment charge	\$ 5.00	\$ 5.50

64 N. Clark
Sullivan, MO 63080
573-468-8081
573-468-5440 FAX

Fidelity Telephone Company

FIDELITY TELEPHONE COMPANY RATE CASE

December 23, 2003

TO: ALL INTEREXCHANGE SWITCHED ACCESS CUSTOMERS

Please be advised that Fidelity Telephone Company will be filing, in the next few days, a general rate increase with the Missouri Public Service Commission. As part of its requested increase, Fidelity is proposing to raise rates for intrastate switched access services. The current and proposed access rates are as follows:

	<u>Current</u>	<u>Proposed</u>
Carrier Common Line	\$.038073	\$.051847
Local Switching	\$.011083	\$.022328
Directory Assistance Information Surcharge	\$.000238	(combined with Local Switching)
Line Service Termination	\$.005075	(combined with Local Switching)
Local Transport mileage banded - range from \$.006492 -	\$.075347	\$.031609(bands removed-applies to all minutes)
8xx Queries	\$.003100	\$.004221

The proposed effective date will be thirty days after filing. If you have any questions regarding this filing, please call Dave Beier at Fidelity Telephone Company at 573-468-1218.

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FIDELITY TELEPHONE COMPANY
SUMMARY OF REASONS FOR PROPOSED RATE INCREASE

The Company's intrastate earnings during the test period were \$<182,387>, which equates to a negative .016% return on rate base. The Company has a deficiency in revenue requirement of \$2,359,972 and needs to increase revenues accordingly. The biggest cause of the deficiency is an 83% decline in intralata toll revenue over the last six years, as customers have chosen to presubscribe their long distance service to interexchange carriers (IXC's) instead of the Company's intralata toll offering. The proposed rate increases will provide the Company with a reasonable financial base for deploying further infrastructure and enhanced technologies. Furthermore, the Company has not had a general rate increase in more than 16 years.