

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE FILING BY NEUTRAL)
TANDEM-SOUTH DAKOTA, LLC FOR)
APPROVAL OF REVISIONS TO ITS TARIFF NO.)
1)**

**ORDER APPROVING
TARIFF REVISIONS

TC12-111**

On July 9, 2012, the Public Utilities Commission (Commission) received a filing from Neutral Tandem-South Dakota, LLC (Neutral Tandem) for approval of revisions to its Access Services Tariff No. 1. The purpose of this filing is to implement the Federal Communication Commission's (FCC) intercarrier compensation reforms as set forth in its Connect America Fund Order (Order), released November 18, 2011.¹ As part of its Order, the FCC adopted "bill-and-keep as the default methodology" and "end state" for all intercarrier compensation traffic, including intrastate traffic. The FCC further adopted a defined "transition path" for moving to this end state. The first reduction mandated by the FCC's Order requires a carrier to reduce its intrastate terminating access rate, if above the carrier's interstate access rate, by 50 percent of the differential between the carrier's intrastate rate and the carrier's interstate access rate. The reduced rates are required to be effective by July 3, 2012.²

On July 12, 2012, the Commission electronically transmitted notice of the filing and the intervention deadline of July 27, 2012, to interested individuals and entities. No parties filed to intervene. On February 11, 2013, Neutral Tandem filed its responses to staff's data request. It also filed an Application for Waiver of Certain Requirements of ARSD 20:10:29:10; 20:10:29:12 and 20:10:29:16. At its regularly scheduled meeting of February 12, 2013, the Commission considered this matter. It was deferred. On February 20, 2013, and February 26, 2013, Neutral Tandem filed revised tariff pages.

Neutral Tandem requested approval of the following tariff pages:

Access Services Tariff No.1

1st Revised Page 3

Cancels Original Revised Page 3

1st Revised Page 65

Cancels Original Page 65

1st Revised Page 66

Cancels Original Page 66

At its regularly scheduled meeting of February 26, 2013, the Commission again considered this matter. The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-31. Commission staff recommended approval of all requested tariff revisions and to grant the requested waiver. The Commission voted unanimously to approve the requested waiver and revisions to Neutral Tandem's Access Services Tariff No. 1. It is therefore

ORDERED, that a waiver of the specific provisions of ARSD 20:10:29:10, 20:10:29:12, and 20:10:29:16 that specify "the per minute charge is equal for the originating and terminating traffic" is hereby granted. It is further

¹ *In the Matter of Connect America Fund et al.*, WC Docket Nos. 10-90, *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, (released November 18, 2011).

² *See In the Matter of Connect America Fund et al.*, WC Docket Nos. 10-90, *et al.*, Order, DA 12-870 (rel. June 5, 2012) (allowing effective dates for intrastate filings to be extended from July 1, 2012 to July 3, 2012).

ORDERED, that the Commission approves the above referenced revisions to Neutral Tandem's Access Services Tariff No. 1 effective as of July 3, 2012.

Dated at Pierre, South Dakota, this 4th day of March, 2013.

<p align="center">CERTIFICATE OF SERVICE</p> <p>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.</p> <p>By: <u>Tina Douglas</u></p> <p>Date: <u>3-4-13</u></p> <p align="center">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

Gary Hanson

GARY HANSON, Chairman

Chris Nelson

CHRIS NELSON, Commissioner

Kristie Fiegen

KRISTIE FIEGEN, Commissioner