

KC/HB

TC01-726

DOCKET NO. _____

In the Matter of _____

IN THE MATTER OF THE REQUEST OF
WEST RIVER TELECOMMUNICATIONS
COOPERATIVE (MOBRIDGE) FOR
CERTIFICATION REGARDING ITS USE
OF FEDERAL UNIVERSAL SERVICE
SUPPORT

Public Utilities Commission of the State of South Dakota

10-75

MEMORANDA

Spec: Filed and Rocketed;
Spec: Rally Filing;
Spec: Cable Fronting Certifications;
Spec: Rocket Closed.

**BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

RECEIVED

**IN THE MATTER OF THE REQUEST OF
WEST RIVER TELECOMMUNICATIONS
COOPERATIVE (MOBRIDGE)
FOR CERTIFICATION
REGARDING ITS USE OF FEDERAL UNIVERSAL
SERVICE SUPPORT**

DOCKET NO. ___

AUG 21 2001

SOUTH DAKOTA PUBLIC
UTILITY COMMISSION

REQUEST FOR CERTIFICATION

West River Telecommunications Cooperative (Mobridge) by and through its attorney hereby submits a Request for Certification to the South Dakota Public Utilities Commission ("Commission") seeking certification from the Commission pursuant to 47 C.F.R. § 54.314. In support of this Request, West River Telecommunications Cooperative (Mobridge) offers the following:

I. On May 23, 2001, the Federal Communications Commission (FCC) released an Order relative to the federal universal service support mechanism for rural carriers.¹ This Order (hereafter referenced as the "Fourteenth Report and Order"), in part, codifies at 47 C.F.R. § 54.314, a requirement for States to provide a certification regarding federal universal service support that is received by rural incumbent local exchange carriers and/or other eligible telecommunications carriers providing service in rural service areas. Pursuant to such rule, states that desire rural carriers within their jurisdiction to receive future federal universal service support must file an annual certification with the FCC and the Universal Service Administrative Company ("USAC") stating that federal high cost support provided to such carriers within that State will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. This certification requirement applies to various categories of

¹ CC Docket No. 96-45, CC Docket No. 00-256, Fourteenth Report and Order, Twenty Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256, FCC 01-157, Released May 23, 2001.

federal universal service support, including support provided pursuant to 47 C.F.R. §§ 54.301, 54.305, and/or 54.307, and/or 47 C.F.R. Part 36, Subpart F (high-cost loop support, local switching support, safety net additive support, and safety valve support). Support provided under these FCC rule provisions will only in the future be made available if the State Commission files the requisite certification pursuant to § 54.314.

2. The certification required for rural carriers to receive federal universal service support for all four quarters during calendar year 2002 is currently due to be filed with the FCC and USAC on or before October 1, 2001. The certification may be presented to these entities in the form of a letter from the State Commission. The letter must identify which carriers in the State are eligible to receive federal support during the 12-month period and must certify that the carriers listed will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

3. West River Telecommunications Cooperative (Mobridge) is a rural telephone company that has previously been designated by this Commission as an eligible telecommunications carrier. The Company provides local exchange telephone services, including all of the essential services that are included in the federal definition of universal service, to approximately 2,755 access lines within its established rural service study area in South Dakota.

4. This Commission has limited regulatory oversight over West River Telecommunications Cooperative (Mobridge) and its provisioning of local exchange services. Under SDCL § 49-31-5.1, the local exchange service rates charged by telecommunications cooperatives, municipal telephone systems, and independent telephone companies serving less than fifty thousand local exchange subscribers are not subject to the Commission's ratemaking

authority. In cases where State Commissions have limited regulatory authority over rural carriers, the FCC has indicated that these carriers should themselves initiate the certification process by presenting a plan to ensure compliance with the requirement in 47 U.S.C. § 254(e) that universal service support will only be used for the provision, maintenance, and upgrading of facilities and services for which the support is intended. Based on this filed plan, it is anticipated that the State Commission may make the appropriate certification to the FCC.²

5. The purpose of this filing is to provide information constituting West River Telecommunications Cooperative's (Mobridge) plan for the use of its federal universal service support and to otherwise verify that West River Telecommunications Cooperative (Mobridge) will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. § 254.

6. In the process of determining whether federal universal service support is used in a manner consistent with the Federal Communications Act, the "universal service principles" established in Section 254(b) are instructive. That Section states that the FCC shall base "policies for the preservation and advancement of universal service" on certain, specifically identified principles:

- (1) Quality services should be available at just, reasonable, and affordable rates.
- (2) Access to advanced telecommunications and information services should be provided in all regions of the Nation.
- (3) Consumers in all regions of the Nation, including low-income consumers and those in rural, insular, and high-cost areas, should have access to telecommunications and information services, including interexchange services and advanced telecommunications and information services, that are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas. . . .

² Fourteenth Report and Order, ¶ 188.

(6) Elementary and secondary schools and classrooms, health care providers, and libraries should have access to [certain] advanced telecommunications services. . .

7. The FCC has declined to dictate specifically how the states should ensure that carriers are using federal universal service support consistent with the federal law, but has offered examples of how the support can be used to appropriately further universal service goals. The FCC has stated:

[A] state could [use the federal support to] adjust intrastate rates, or otherwise direct carriers to use the federal support to replace implicit intrastate universal service support to high cost rural areas

A state could also require carriers to use the federal support to upgrade facilities in rural areas to ensure that services provided in those areas are reasonably comparable to services provided in urban areas of the state.³

8. The FCC provided the above examples as illustrative and not exhaustive examples of how support can be used consistent with Section 254(e). Other uses are appropriate provided the State Commission believes they are consistent with the federal universal service principles contained in Section 254.

9. West River Telecommunications Cooperative (Mobridge) has made substantial investment over the years, which meet the universal service ideal and obligation. The Company currently has invested almost \$8.5 million in facilities to serve its customers. This converts into an average investment per customer of almost \$3,060. Investments necessary to provide service to the rural communities served by West River Telecommunications Cooperative (Mobridge) are not always practical or economical from a business standpoint. This investment has been incurred under the promise of support where cost of connecting rural customers to the network are high. This cost expenditure is not invested and then disappears. The Universal service

³ Ninth Report and Order and Eighteenth Order on Reconsideration in CC Docket No. 96-45 (In the Matter of the Federal-State Joint Board on Universal Service), FCC 99-306, ¶ 96, November 2, 1999.

concept that support should be “sufficient and predictable” as found in Section 254(b)(5) must be maintained in this instance. The support provided currently through the USF mechanisms also goes to recover the investment made by the Company over the years preceding this certification.

10. West River Telecommunications Cooperative (Mobridge) has invested significant amounts over the last several years. Investments made by the Company since 1996 when it took over service from US West (now Qwest) include:

1996:	\$ 98,075.
1997:	\$ 99,483.
1998:	\$1,893,759.
1999:	\$ 872,956.
2000:	\$1,063,535.
Estimated 2001	\$ 700,000.

Installing plant is simply the first step in meeting the universal service provision goal. Maintaining such plant, upgrading this plant, and replacing this plant is an ongoing process, which needs to be recognized in certifying that funds are utilized for the intended purposes. The investment identified above has, on average, met or exceeded the plant depreciation by year. In other words, investments continue to be made to provide quality services to the customers of Mobridge – this investment has replaced outdated plant that is no longer serviceable.

11. West River Telecommunications Cooperative (Mobridge) as an average schedule company receives support through the average schedule mechanism. This mechanism has included within the formulas that determine support a calculation of local switching support and long term support. As a designated eligible telecommunications carrier, West River Telecommunications Cooperative (Mobridge) has received federal universal service support in

the past and expects to receive support during calendar year 2002. As of this time, specific support amounts the Company should receive in 2002 have not yet been identified by USAC. The Company, however, offers the following estimates concerning the support it expects to receive⁴:

High-Cost Loop Support	\$ -0-
Local Switching Support (DEM Weighting)	\$ 251,412
Safety Net Additive Support	\$ -0-
Safety Valve Support	\$ -0-

12. The support Mobridge receives each year from USAC is provided only after the Company submits cost information to NECA and USAC. The support that is received from USAC is provided within the NECA system and in conformance with their rules. Each Company in the NECA system undergoes several reviews of its operations, which include the NECA review of the Company's interstate average schedule submission. NECA also completes periodic audits of the company to ensure that it adheres to the NECA guidelines as spelled out by the FCC. The South Dakota Commission should legitimately find that this review process is sufficient if not additional support for certification of West River Telecommunications Cooperative (Mobridge) in this matter.

13. Mobridge has not completed its budgeting process for the year 2002. Typically, this budgeting process is not completed until mid to late fourth quarter of the year. Mobridge has made some estimates for the purposes of this certification on possible investments that the company will make in calendar year 2002. West River Telecommunications

⁴ It should be noted that Long Term Support amounts are not referenced because the FCC has indicated that it will deal with certification under 47USC Section 254(e) for these amounts. See 14th Report and Order footnote number 446.

Cooperative (Mobridge) intends to invest between \$150,000 and \$200,000 in facilities to serve its customers in 2002.

14. In providing local exchange telecommunications services, West River Telecommunications Cooperative (Mobridge) will also incur operating costs. The Company has not completed its budgeting process at this time. In estimating its costs for operating the Company in 2002, West River Telecommunications Cooperative (Mobridge) estimates that total expenses will be somewhere between \$2.7 million and \$2.9 million. These costs will be incurred in the following categories:

Plant Specific Expense: From \$630,000 to \$650,000
(used to maintain facilities)

Plant Non Specific: From \$40,000 to \$45,000
(used for engineering networks)

Customer Operations: From \$200,000 to \$230,000
(used for dealing with customers)

Corporate Operations: From \$250,000 to \$280,000
(operating and managing the Company)

Other: From \$175,000 to \$200,000

15. West River Telecommunications Cooperative (Mobridge) estimates that the total costs described above relating to its planned network facility and equipment investments and other expenses to be incurred in providing local exchange telecommunications services will exceed \$1,400,000.

16. Consistent with the universal service principles set forth in the federal law and also the recent FCC orders referenced herein, West River Telecommunications Cooperative (Mobridge) will use federal universal service amounts received in 2002 (estimated in paragraph 11 herein) to offset a portion of these total costs. This use of federal universal service support

will enable West River Telecommunications Cooperative (Mobridge) to: (1) maintain rates for its local exchange services that are affordable and reasonably comparable to rates being charged for the same services in urban areas; and (2) to upgrade its telecommunications facilities and equipment as necessary to meet evolving service requirements and maintain high quality service. The use of federal universal service support for these purposes is clearly consistent with the federal universal service provisions.

17. Based on all of the foregoing information and also the Affidavit of Albert Grosz, attached as Exhibit A, West River Telecommunications Cooperative (Mobridge) requests that this Commission issue an appropriate certification to the FCC and USAC indicating that West River Telecommunications Cooperative (Mobridge) is in compliance with 47 U.S.C. § 254(e) and should receive all federal universal service support determined for distribution to the Company in 2002. In order to ensure that this certification is issued to the FCC prior to October 1, 2001, West River Telecommunications Cooperative (Mobridge) would further ask the Commission to expedite the process that is initiated based on this filing.

Dated this 20th day of August, 2001.

Respectfully submitted,



Darla Pollman Rogers
MEYER & ROGERS
320 East Capitol Avenue
P. O. Box 1117
Pierre, South Dakota 57501

Attorney for West River Telecommunications
Cooperative (Mobridge)

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of August 16, 2001 through August 22, 2001

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this filing. Phone: 605-773-3705 Fax: 605-773-3809

CONSUMER COMPLAINTS

CE01-002 In the Matter of the Complaint filed by Dale Riedlinger, Sioux Falls, South Dakota, against Xcel Energy Regarding Poor Maintenance Service.

Complainant states that on or about May 21, 2001, Xcel Energy had a tree trimming company come to their area of town and trim trees. Complainant states that when the company trimmed there tree in the front yard of their home, the tree was destroyed by cutting the tree half off. Complainant states that there are only two customers in his neighborhood that do not have buried cable. Complainant inquired about the line being buried and was told that he would have to pay \$7,500.00. Complainant states that Xcel Energy does not have an easement to have the utility pole on his property. Complainant requests that Xcel Energy bury their lines at no cost or a reasonable cost to the customer. Complainant does not feel he should replace his tree because he believes that the problem will occur again when the tree trimming service happens again.

Staff Analyst: Mary Healy
Staff Attorney: Kelly Frazier
Date Docketed: 08/20/01
Intervention Deadline: N/A

TELECOMMUNICATIONS

TC01-111 In the Matter of the Request of Baltic Telecom Cooperative and East Plains Telecom, Inc for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Baltic Telecom Cooperative and its subsidiary East Plains Telecom, Inc.'s plan for the use of its federal universal service support and to otherwise verify that Baltic Telecom Cooperative and its subsidiary East Plains Telecom, Inc. will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/16/01
Intervention Deadline: 08/31/01

TC01-112 In the Matter of the Request of Cheyenne River Sioux Tribe Telephone Authority for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Cheyenne River Sioux Tribe Telephone Authority's plan for the use of its federal universal service support and to otherwise verify that Cheyenne River Sioux Tribe Telephone Authority will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/17/01
Intervention Deadline: 08/31/01

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/20/01
Intervention Deadline: 08/31/01

TC01-118 In the Matter of the Request of Kadoka Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Kadoka Telephone Company's plan for the use of its federal universal service support and to otherwise verify that Kadoka Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/20/01
Intervention Deadline: 08/31/01

TC01-119 In the Matter of the Request of Valley Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Valley Telephone Company's plan for the use of its federal universal service support and to otherwise verify that Valley Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/20/01
Intervention Deadline: 08/31/01

TC01-120 In the Matter of the Request of Mount Rushmore Telephone Company and Fort Randall Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Mt. Rushmore Telephone Company and Fort Randall Telephone Company's plan for the use of its federal universal service support and to otherwise verify that Mt. Rushmore Telephone Company and Fort Randall Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/20/01
Intervention Deadline: 08/31/01

TC01-121 In the Matter of the Request of Sanborn Telephone Cooperative, Inc. and SANCOM, Inc. for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Sanborn Telephone Cooperative, Inc./Sancom, Inc.'s plan for the use of its federal universal service support and to otherwise verify that Sanborn Telephone

Cooperative will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/20/01
Intervention Deadline: 08/31/01

TC01-126 In the Matter of the Request of West River Telecommunications Cooperative (Mobridge) for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting West River Telecommunications Cooperative's (Mobridge) plan for the use of its federal universal service support and to otherwise verify that West River Telecommunications Cooperative (Mobridge) will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/20/01
Intervention Deadline: 08/31/01

TC01-127 In the Matter of the Request of Midstate Communications, Inc. for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Midstate Communications, Inc.'s plan for the use of its federal universal service support and to otherwise verify that Midstate Communications, Inc. will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/20/01
Intervention Deadline: 08/31/01

TC01-128 In the Matter of the Request of Tri-County Telecom, Inc. for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Tri-County Telecom, Inc.'s plan for the use of its federal universal service support and to otherwise verify that Tri-County Telecom, Inc. will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/20/01
Intervention Deadline: 08/31/01

TC01-129 In the Matter of the Request of McCook Cooperative Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting McCook Cooperative Telephone Company's plan for the use of its federal universal service support and to otherwise verify that McCook Cooperative Telephone

The purpose of this filing is to provide information constituting Sioux Valley Telephone Company's plan for the use of its federal universal service support and to otherwise verify that Sioux Valley Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/21/01
Intervention Deadline: 08/31/01

TC01-134 In the Matter of the Request of Dickey Rural Telephone Cooperative for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Dickey Rural Telephone Cooperative's plan for the use of its federal universal service support and to otherwise verify that Dickey Rural Telephone Cooperative will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/22/01
Intervention Deadline: 08/31/01

TC01-135 In the Matter of the Request of Dickey Rural Communications, Inc. for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Dickey Rural Communications, Inc.'s plan for the use of its federal universal service support and to otherwise verify that Dickey Rural Communications, Inc. will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/22/01
Intervention Deadline: 08/31/01

TC01-136 In the Matter of the Request of Farmers Mutual Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Farmers Mutual Telephone Company's plan for the use of its federal universal service support and to otherwise verify that Farmers Mutual Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 08/22/01
Intervention Deadline: 08/31/01

TC01-137 In the Matter of the Request of RT Communications, Inc. for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting RT Communications, Inc.'s plan for the use of its

Staff Analyst: Harlan Best
Staff Attorney: Karen Crerner
Date Docketed: 08/22/01
Intervention Deadline: 08/31/01

You may receive this listing and other PUC publications via our website or via internet e-mail.
You may subscribe or unsubscribe to the PUC mailing lists at <http://www.state.sd.us/puc/>

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

IN THE MATTER OF THE REQUEST OF WEST)	ORDER GRANTING
RIVER TELECOMMUNICATIONS)	CERTIFICATION
COOPERATIVE (MOBRIDGE) FOR)	
CERTIFICATION REGARDING ITS USE OF)	TC01-126
FEDERAL UNIVERSAL SERVICE SUPPORT)	

On May 23, 2001, the Federal Communications Commission (FCC) released an Order concerning the federal universal service support mechanism for rural carriers.¹ This Order (hereafter referenced as the "Fourteenth Report and Order"), in part, codifies at 47 § C.F.R. 54.314, a requirement for States to provide a certification regarding federal universal service support that is received by rural incumbent local exchange carriers and/or eligible telecommunications carriers providing service in rural service areas. Pursuant to such rule, a state that desires rural carriers within its jurisdiction to receive future federal universal service support must file an annual certification with the FCC and the Universal Service Administrative Company (USAC) stating that federal high cost support provided to such carriers within that State will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. This certification requirement applies to various categories of federal universal service support, including support provided pursuant to 47 C.F.R. §§ 54.301, 54.305, and/or 54.307, and/or 47 C.F.R. Part 36, Subpart F (high-cost loop support, local switching support, safety net additive support, and safety valve support). Support provided under these FCC rule provisions will only be made available in the future if the State Commission files the requisite certification pursuant to § 54.314.

The certification required for rural carriers to receive federal universal support for all four quarters during calendar year 2001 is currently due to be filed with the FCC and USAC on or before October 1, 2001. The certification may be presented to these entities in the form of a letter from the State Commission. The letter must identify which carriers in the state are eligible to receive federal support during the 12-month period and must certify that the carriers listed will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

On August 20, 2001, the South Dakota Public Utilities Commission (Commission) received a filing from West River Telecommunications Cooperative (Mobridge) (Company) regarding its Request for Certification Regarding its Use of Federal Universal Service Support. The purpose of this filing was to provide information constituting Company's plan

CC Docket No. 96-45, CC Docket No. 00-256, Fourteenth Report and Order, Twenty Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256, FCC 01-157, Released May 23, 2001.

for the use of its federal universal service support and to otherwise verify that Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. § 254. As a part of its plan, Company listed estimates of the support it expected to receive from USAC as well as its estimated costs for the provision, maintenance, and upgrading of facilities and services. An Affidavit was attached to the Request for Certification.

On August 23, 2001, the Commission electronically transmitted notice of the filing and the intervention deadline of August 31, 2001, to interested individuals and entities. No parties sought intervention.

At its regularly scheduled meeting of September 7, 2001, the Commission considered this matter.

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26, 49-31, and 47 U.S.C. § 254. The Commission found that the Company is eligible to receive federal support as it states it will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended. The Commission unanimously voted to approve Company's Request for Certification Regarding Its Use of Federal Universal Service Support. It is therefore

ORDERED, that the Company is eligible to receive federal support as it states it will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended. It is

FURTHER ORDERED, that the Commission approves Company's Request for Certification Regarding Its Use of Federal Universal Service Support.

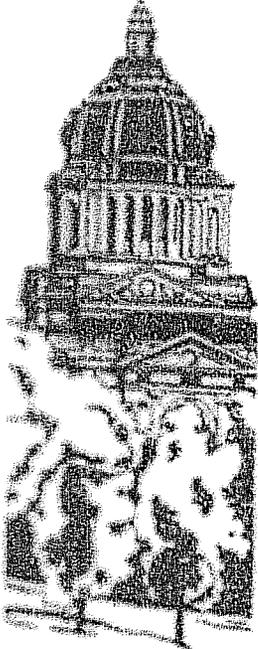
Dated at Pierre, South Dakota, this 20th day of September, 2001.

CERTIFICATE OF SERVICE	
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, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By	<u>Melaine Kelbo</u>
Date	<u>9/25/01</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner



South Dakota Public Utilities Commission

State Capitol Building, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070



September 25, 2001

Ms. Magalie R. Salas
Federal Communications Commission
Office of the Secretary
445 12th St. S.W.
Washington, DC 20554

Ms. Irene Flannery
Universal Service Administrative Company
2120 L Street N.W., Suite 600
Washington, DC 20037

RE: CC Docket No. 96-45, CC Docket No. 00-256, Fourteenth Report and Order, Twenty Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256, FCC 01-157, Released May 23, 2001

Annual State Certification of Support for Rural Carriers

Dear Ms. Salas and Ms. Flannery:

The South Dakota Public Utilities Commission (Commission) hereby states that the following rural incumbent local exchange carriers and/or eligible telecommunication carriers within its jurisdiction have been certified to receive support pursuant to 47 CFR §§ 54.301, 54.305, and/or 54.307 and /or part 36, subpart F. The carriers listed below filed requests for certification with the Commission which support their affirmations that all federal high-cost support provided to them will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. The Commission has granted certification to the following companies:

Armour Independent Telephone Company
Baltic Telecom Cooperative and East Plains Telecom, Inc.
Beresford Municipal Telephone Company
Bridgewater-Canistota Independent Telephone Company
Cheyenne River Sioux Tribe Telephone Authority
Citizens Telecommunications Company of Minnesota, Inc.
City of Brookings Municipal Telephone
Consolidated Telcom
Dakota Community Telephone

Capital Office
Telephone (605)773-3201
FAX (605)773-3809

Transportation/
Warehouse Division
Telephone (605)773-3280
FAX (605)773-3225

Consumer Hotline
1-800-312-1382

TTY Through
Relay South Dakota
1-800-877-1113

Internet Website
www.state.sd.us/puc/

Jim Aurg
Chairman
Pam Nelson
Vice-Chairman

Debra Nelson
Executive Director

Harlan Best
Martin C. Bestmann
Ron Cochran
Karen E. Cramer
Christopher W. Downs
Terry Emery
Michelle M. Harris
Michelle Puschbach
Heather K. Porney
Kelly D. Prater
Mary Guedings
Lara Healy
Mary Healy
Lisa Hill
Debra Jacobson
Amy Keyser
Jennifer Kutz
Duh Knudde
Debbie Kellon
Christina Lund
Gregory A. Risher
Keith Senger
Kathleen Alda West