

TC03-164

KC/AB

TC03-164

DOCKET NO. _____

In the Matter of IN THE MATTER OF THE REQUEST OF
 ALLIANCE COMMUNICATIONS
 COOPERATIVE, INC. AND SPLITROCK
 PROPERTIES, INC. FOR
 CERTIFICATION REGARDING ITS USE
 OF FEDERAL UNIVERSAL SERVICE
 SUPPORT

Public Utilities Commission of the State of South Dakota

DATE	MEMORANDA
8/18 03	Filed and Docketed;
8/21 03	Weekly Filings;
9/23 03	Order Granting Certification;
9/23 03	Docket Closed.

RICHARD A. CUTLER
KENT R. CUTLER
BRIAN J. DONAHOE **
MARK E. SALTER •
STEVEN J. SARBACKER ††
JAYNA M. VOSS
MICHAEL D. BORNITZ †
TRENT A. SWANSON *
KIMBERLY R. WASSINK
RYAN J. TAYLOR ††
MEREDITH A. MOORE
DAVID L. EDWARDS

CUTLER & DONAHOE, LLP
ATTORNEYS AT LAW

Telephone (605) 335-4950

Fax (605) 335-4961

JEAN BROCKMUELLER, CPA (Inactive)
BUSINESS MANAGER

- Also licensed to practice in Minnesota
- ** Also licensed to practice in Minnesota and Iowa
- † Also licensed to practice in Nebraska
- †† Also licensed to practice in Minnesota and Missouri
- *† Also licensed as a Certified Public Accountant

August 15, 2003

Ms. Pam Bonrud, Executive Director
South Dakota Public Utilities Commission
500 E. Capitol
Pierre, SD 57501

RECEIVED

AUG 18 2003

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: *Alliance Communications*

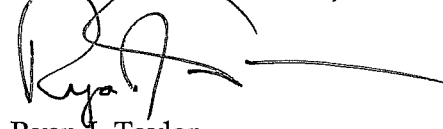
Dear Ms. Bonrud:

Enclosed herewith the original and ten copies of the Request for Certification in regard to the above matter. Also enclosed is a cover letter from Alliance Communications with regard to the Request.

Should you have any questions or concerns regarding this matter, please do not hesitate to contact me at (605) 335-4950.

Sincerely,

CUTLER & DONAHOE, LLP



Ryan J. Taylor
For the Firm

RJT:jak
Enclosures

**BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE REQUEST OF
ALLIANCE COMMUNICATIONS COOPERATIVE, INC.
AND ITS SUBSIDIARY SPLITROCK PROPERTIES, INC.
FOR CERTIFICATION
REGARDING ITS USE OF FEDERAL UNIVERSAL
SERVICE SUPPORT**

DOCKET NO. __

REQUEST FOR CERTIFICATION

Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. 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, Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. offers the following:

1. 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 2004 is currently due to be filed with the FCC and USAC on or before October 1, 2003. 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. Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. 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 9,944 access lines within its established rural service area in South Dakota.

4. This Commission has limited regulatory oversight over Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. 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 indicating Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc.'s use of federal universal service support and to otherwise verify that Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, 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. § 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

² Fourteenth Report and Order, ¶ 188.

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. . . .

(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. Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. as a designated eligible telecommunications carrier has received federal universal service support in the past and expects to receive support during calendar year 2004. As of this time, specific support amounts the Company should receive in 2004 have not yet been identified by USAC. Included in Exhibit A attached hereto, however, are estimated universal service support amounts for such period.

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.

10. Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. also provides in Exhibit A, attached hereto, estimates of the expenditures that will be incurred in year 2004 for the provision, maintenance, and upgrading of facilities and services supported by federal universal service. Consistent with the universal service principles set forth in the federal law and also the FCC orders referenced herein, Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. will use federal universal service amounts received in 2004 to offset a portion of 2004 expenditures incurred within the accounts referenced in Exhibit A. This use of federal universal service support will enable Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. 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.

14. Based on the foregoing information, the attached Exhibit A and Exhibit B, Affidavit of Don Snyders, Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. requests that this Commission issue an appropriate certification to the FCC and USAC indicating that Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. 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 2004. In order to ensure that this certification is issued to the FCC prior to October 1, 2004, Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. would further ask the Commission to expedite the process that is initiated based on this filing.

Dated this 14th day of August, 2003.

Respectfully submitted,



Ryan Taylor, Cutler & Donahue, LLP

Exhibit A

Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc.

Estimated Year 2004 Federal Universal Service Receipts

High cost loop support	\$ 213,360
Local switching support	\$ 398,832
Safety Net Additive support	\$ 0
Safety Valve Loop Cost Adjustment	\$ 0
TOTAL	\$ 612,192

Estimated Year 2004 Expenditures For Provision, Maintenance, and Upgrading Of Facilities and Services Supported By Federal Universal Service Funding

Estimated Plant Specific Operations Expenses

Network support (Accts. 6110-16)	\$ 0
General support (Accts. 6120-24)	\$ 367,250
Central office (Accts. 6210-6232)	\$ 218,300
Cable and wire facilities (Accts. 6410-6441)	\$ 339,600
Network operations (Accts. 6530-35)	\$ 318,100
Depreciation and amortization (Accts. 6560-65)	\$2,141,550

Customer operations expenses

Customer services (Accts. 6620-23)	\$ 567,250
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Corporate operations expenses

Executive and planning (Accts. 6710-6712)	\$ 246,250
General and administrative (Accts. 6720-28)	\$1,022,750

Estimated Total Recurring Year 2004

Supported Expenses, from above,

Before Return On Investment	\$5,221,050
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Estimated Additions

Switching (Acct. 2210)	\$ 90,000
Cable and wire (Acct. 2410)	\$ 360,000
TOTAL	\$ 450,000

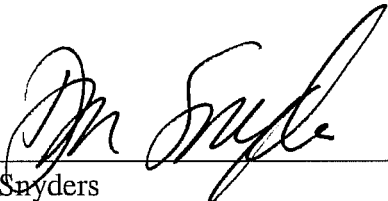
Estimated Total Year 2004 Supported

Expenditures, Before Return On Investment	\$5,671,050
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EXHIBIT B

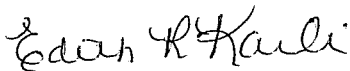
AFFIDAVIT

As an authorized corporate officer of Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc., I, Don Snyders, hereby affirm familiarity with and an understanding of the requirements of the Federal Communications Act of 1934 as amended by the Telecommunications Act of 1996 with respect to the receipt of any federal universal service funds received as high-cost loop support, local switching support, safety net additive support, and/or safety valve support and hereby affirm that any such support amounts received by Alliance Communications Cooperative, Inc. will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended consistent with 47 U.S.C. § 254(e).



Don Snyders

Subscribed and Sworn to before me this 14th day of August, 2003.

NOTARY PUBLIC 

My Commission Expires 6/26/2006
Commission expires _____



August 14, 2003

RECEIVED

AUG 18 2003

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Ms. Pam Bonrud
Executive Director
South Dakota Public Utilities Commission
500 E. Capitol
Pierre, SD 57501

RE: Request for Certification regarding Universal Service Support

Dear Ms. Bonrud:

This letter is intended to clarify the enclosed certification for Alliance Communications Cooperative, Inc. and its subsidiary Splitrock Properties, Inc. This filing is intended to cover the following companies and their respective study areas:

Study Area 391657 - Alliance Communications-Splitrock and its subsidiary Splitrock Properties, Inc. dba Alliance Communications.

Study Area 391642 - Alliance Communications-Baltic

All estimated information provided in Exhibit A encompasses both study areas.

If you have any questions regarding the above information, please do not hesitate to call our office.

Respectfully,

A handwritten signature in cursive script that reads "Kari J. Flanagan".

Kari J. Flanagan
Accounting Manager

encl

Speak and you'll be heard.

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of August 14, 2003 through August 20, 2003

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 report. Phone: 605-773-3705

CONSUMER COMPLAINTS

CT03-130 In the Matter of the Complaint filed by Jack R. Leininger, Sioux Falls, South Dakota, against S&S Communications/Alterna-Cell Regarding Loss of Long Distance Services.

Complainant represents that he purchased a ten-year pre-paid long distance service plan on August 18, 1998. Service was terminated without notice in June of 2003. Complainant seeks to be reimbursed for the prepaid service not provided.

Staff Analyst: Jim Mehlhaff
Staff Attorney: Kelly Frazier
Date Docketed: 08/14/03
Intervention deadline: N/A

CT03-131 In the Matter of the Complaint filed by Debbie and Rich Branaugh, Tyndall, South Dakota, against Fort Randall Telephone Company Regarding Charging Business Rates for Residential Line.

Complainants represent that the respondent is charging them the business rate for phone service on their residential line. Complainants seek to have the rate charged on their residential line restored to the residential rate and to be reimbursed for the difference they have paid, plus the costs incurred in bringing this complaint forward.

Staff Analyst: Jim Mehlhaff
Staff Attorney: Kelly Frazier
Date Docketed: 08/15/03
Intervention deadline: N/A

CT03-132 In the Matter of the Complaint filed by Gregory S. Wilson on behalf of Variable Investment Advisors, Sioux Falls, South Dakota, against S&S Communications/Alterna-Cell Regarding Loss of Long Distance Services.

Complainant's representative states that it purchased a seven-year pre-paid long distance service plan on November 11, 1999. Service was terminated without notice in June of 2003. Complainant seeks to be reimbursed for the pre-paid service not provided, plus damages of \$500.00 per day for each day that they went without service as a result of the respondent's failure.

Staff Analyst: Jim Mehlhaff
Staff Attorney: Kelly Frazier
Date Docketed: 08/18/03
Intervention deadline: N/A

TELECOMMUNICATIONS

TC03-157 In the Matter of the Filing for Approval of a Reciprocal Transport and Termination Agreement between PrairieWave Telecommunications, Inc. and Midwest Wireless Communications, LLC.

On August 14, 2003, the Commission received a filing for approval of a Reciprocal Transport and Termination Agreement between PrairieWave Telecommunications, Inc. and Midwest Wireless Communications, LLC. According to the filing, the parties wish to put in place an arrangement for the mutual exchange and reciprocal compensation of local telecommunications traffic which is intended to supersede any previous arrangements between the parties relating to such traffic. Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than September 4, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier
Date Docketed: 08/14/03

TC03-158 In the Matter of the Request of Western Wireless Corporation for Certification Regarding its Use of Federal Universal Service Support.

On August 15, 2003, Western Wireless Corporation provided information constituting Western Wireless Corporation's plan for the use of its federal universal service support, excluding the support amounts received for the Pine Ridge Reservation, and to otherwise verify that Western Wireless Corporation 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 E. Cremer
Date Docketed: 08/15/03
Intervention Deadline: 09/05/03

TC03-159 In the Matter of the Application of Telrite Corporation for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

Telrite Corporation is seeking a Certificate of Authority to provide interexchange telecommunications services in South Dakota. The Applicant will provide its interexchange services on a resale basis utilizing the underlying facilities of Qwest, and/or Global Crossing.

Staff Analyst: Keith Senger
Staff Attorney: Kelly Frazier
Date Docketed: 08/15/03
Intervention Deadline: 09/05/03

TC03-160 In the Matter of the Application of South Dakota Big Sky Telecom for a Certificate of Authority to Provide Local Exchange Services in South Dakota.

On August 15, 2003, South Dakota Big Sky Telecom filed an application for a Certificate of Authority to provide telecommunications services in South Dakota. South Dakota Big Sky Telecom intends to provide resold local dial-up and long distance to both residential and business customers throughout the areas where Qwest provides service in South Dakota.

Staff Analyst: Michele Farris
Staff Attorney: Karen E. Cremer
Date Docketed: 08/15/03
Intervention Deadline: 09/05/03

TC03-161 In the Matter of the Request of Santel Communications Cooperative Inc. for Certification Regarding its Use of Federal Universal Service Support.

On August 15, 2003, Santel Communications Cooperative Inc. (Santel) provided information constituting Santel's plan for the use of its federal universal service support and to otherwise verify that Santel 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 E. Cremer
Date Docketed: 08/15/03
Intervention Deadline: 09/05/03

TC03-162 In the Matter of the Request of Valley Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

On August 15, 2003, Valley Telephone Company (Valley) provided information constituting Valley's plan for the use of its federal universal service support and to otherwise verify that Valley 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 E. Cremer
Date Docketed: 08/15/03

Intervention Deadline: 09/05/03

TC03-163 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.

On August 15, 2003, Mount Rushmore Telephone Company and Fort Randall Telephone Company (Mount Rushmore/Fort Randall) provided information constituting Mount Rushmore/Fort Randall's plan for the use of its federal universal service support and to otherwise verify that Mount Rushmore/Fort Randall 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 E. Cremer
Date Docketed: 08/15/03
Intervention Deadline: 09/05/03

TC03-164 In the Matter of the Request of Alliance Communications Cooperative, Inc. and Splitrock Properties, Inc. for Certification Regarding its Use of Federal Universal Service Support.

On August 18, 2003, Alliance Communications Cooperative, Inc., and its subsidiary Splitrock Properties, Inc. (Alliance/Splitrock) provided information constituting Alliance/Splitrock's plan for the use of its federal universal service support and to otherwise verify that Alliance/Splitrock 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 E. Cremer
Date Docketed: 08/18/03
Intervention Deadline: 09/05/03

TC03-165 In the Matter of the Filing for Approval of a Resale Agreement between Qwest Corporation and Alticomm, Inc.

On August 19, 2003, the Commission received a filing for approval of a Resale Agreement between Qwest Corporation (Qwest) and Alticomm, Inc. (Alticomm). According to the filing, the agreement sets forth the terms, conditions and pricing under which Qwest will offer and provide to Alticomm ancillary services and telecommunications services available for resale within the geographical areas in which both parties are providing local exchange service at that time, and for which Qwest is the incumbent local exchange carrier within the state of South Dakota for purposes of providing local telecommunications services. Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than September 8, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier
Date Docketed: 08/19/03
Initial Comments Due: 09/08/03

TC03-166 In the Matter of the Filing for Approval of a Reciprocal Transport and Termination Agreement between Midcontinent Communications and Cellco Partnership d/b/a Verizon Wireless, CommNet Cellular License Holding, LLC, Missouri Valley Cellular Inc., Sanborn Cellular Inc. and Eastern South Dakota Cellular Inc.

On August 20, 2003, the Commission received a filing for approval of a Reciprocal Transport and Termination Agreement between Midcontinent Communications and Cellco Partnership d/b/a Verizon Wireless, CommNet Cellular License Holding, LLC, Missouri Valley Cellular Inc., Sanborn Cellular Inc. and Eastern South Dakota Cellular Inc. According to the filing, the parties wish to put in place an arrangement for the mutual exchange and reciprocal compensation of telecommunications traffic in accordance with the Act, and which is intended to supersede any previous arrangements between the parties relating to such traffic. Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than September 9, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier
Date Docketed: 08/20/03
Initial Comments Due: 09/09/03

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

IN THE MATTER OF THE REQUEST OF)	ORDER GRANTING
ALLIANCE COMMUNICATIONS)	CERTIFICATION
COOPERATIVE, INC. AND SPLITROCK)	
PROPERTIES, INC. FOR CERTIFICATION)	TC03-164
REGARDING ITS USE OF 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 2004 is currently due to be filed with the FCC and USAC on or before October 1, 2003. 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 18, 2003, the South Dakota Public Utilities Commission (Commission) received a filing from Alliance Communications Cooperative, Inc. and Splitrock Properties, Inc. (Company) regarding its Request for Certification Regarding its Use of Federal

¹CC 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.

Universal Service Support. The purpose of this filing was to provide information constituting Company's plan 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 21, 2003, the Commission electronically transmitted notice of the filing and the intervention deadline of September 5, 2003, to interested individuals and entities. No parties sought intervention.

At its regularly scheduled meeting of September 16, 2003, 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 23rd day of September, 2003.

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><i>Delaine Kalleo</i></u>
Date:	<u>9/24/03</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Robert K. Sahr

ROBERT K. SAHR, Chairman

Gary Hanson
GARY HANSON, Commissioner



Bob Sahr, Chair
Gary Hanson, Vice-Chair
Jim Burg, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue
Pierre, South Dakota 57501-5070
www.state.sd.us/puc

Capitol Office
(605) 773-3201
(605) 773-3809 fax

Transportation/Warehouse
(605) 773-5280
(605) 773-3225 fax

Consumer Hotline
1-800-332-1782

September 24, 2003

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street S.W., Room TW-A306
Washington, DC 20554

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, MD 20743

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. Dortch and Ms. Flannery:

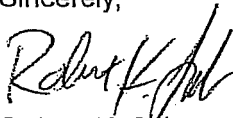
The South Dakota Public Utilities Commission (Commission) hereby states that the following rural incumbent local exchange carriers and/or eligible telecommunications carriers within its jurisdiction have been certified to receive support pursuant to 47 CFR §§ 54.301, 54.305, and/or 54.307 and/or part 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, consistent with section 254(e) of the Communications Act. The Commission has granted certification to the following companies:

Alliance Communications Cooperative, Inc. (Baltic) (391642)
Alliance Communications Cooperative, Inc. (Splitrock Properties, Inc.) (391657)
Armour Independent Telephone Company (391640)
Beresford Municipal Telephone Company (391649)
Bridgewater-Canistota Independent Telephone Company (391640) (co. no. 0158)
Cheyenne River Sioux Tribe Telephone Authority (391647)
Citizens Telecommunications Company of Minnesota, Inc. (361123)
City of Brookings Municipal Telephone (391650)
City of Faith Municipal Telephone Company (391653)
Consolidated Telcom (381607)
Dickey Rural Communications, Inc. (381611) (co. no. 1681)
Dickey Rural Telephone Cooperative (381611) (co. no. 1611)

Golden West Telecommunications Cooperative, Inc. (391659)
Great Plains Communications, Inc. (371577)
Heartland Telecommunications Company of Iowa d/b/a Hickory Tech Corporation (351096)
Interstate Telecommunications Cooperative, Inc. (391654)
James Valley Cooperative Telephone Company (391664)
Jefferson Telephone Company (391666)
Kadoka Telephone Company (391667)
Kennebec Telephone Company (391668)
McCook Cooperative Telephone Company (391669)
Midstate Communications, Inc. (391670)
Mount Rushmore Telephone Company and Fort Randall Telephone Company (391660)
Nebcom, Inc.
PrairieWave Community Telephone, Inc. (391652)
Red River Telecom, Inc. (381631)
Roberts County Telephone Cooperative Association and RC Communications, Inc. (391674)
RT Communications, Inc. (512251)
Santel Communications Cooperative, Inc. (391676)
Sioux Valley Telephone Company (391677)
Stockholm-Strandburg Telephone Company (391679)
Three River Telco (371525)
Tri-County Telcom, Inc. (391682)
Union Telephone Company (391684)
Valley Telecommunications Cooperative Association, Inc. (391685)
Valley Telephone Company (361495)
Venture Communications Cooperative (391680)
Vivian Telephone Company d/b/a Golden West Communications, Inc. (391686)
Western Telephone Company (391688)
Western Wireless Corporation (399002)
West River Cooperative Telephone Company (391689)
West River Telecommunications Cooperative (381637) (co. no. 4414)
West River Telecommunications Cooperative (Mobridge) (391671)

Also enclosed are the Orders Granting Certification to the above-referenced rural incumbent local exchange carriers and/or eligible telecommunications carriers. Should you have any questions, please do not hesitate to contact us for further information.

Sincerely,



Robert K. Sahr
Chairman



Gary Hanson
Commissioner



James A. Burg
Commissioner