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AUG 28 2003

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

August 27, 2003

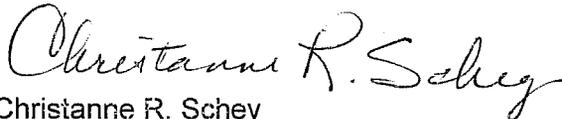
Ms. Deborah Elofson
Executive Director
South Dakota Public Utilities Commission
Capitol Building – 1st Floor
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

Dear Ms. Elofson:

Please find enclosed an original and ten copies of an Affidavit For Certification of federal USF support for Citizens Telecommunications Company of Minnesota, Inc. It is respectfully requested that this certification be forwarded to the FCC by October 1, 2003.

If there are any questions, please call me at (585)777-2778.

Sincerely,



Christanne R. Schey
Regulatory Analyst – Pricing and Tariffs

CC: Harlan Best

Enclosure

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AUG 28 2003

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

AFFIDAVIT

STATE OF NEW YORK)
)ss.
COUNTY OF MONROE)

1. My name is Gregg Sayre. I am employed by Citizens Telecommunications Company of Minnesota, Inc., (the "Company") as its Assistant Secretary. I am an officer of the Company and am authorized to give this affidavit on behalf of the Company. This affidavit is provided to support the request of the Company for certification by the South Dakota Public Utilities Commission as contemplated in 47 C.F.R. § 54.314.

2. During the year 2002, the Company received federal universal service support, and had investments and expense relating to the provision, maintenance and upgrading of facilities and services for which such support was intended. The Company hereby certifies that it will only use the federal high-cost support it receives during 2004 for the provision, maintenance and upgrading of facilities and services for which such support is intended.

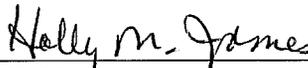
FURTHER AFFIANT SAYETH NOT.



Gregg C. Sayre

STATE OF NEW YORK)
)ss.
COUNTY OF MONROE)

Subscribed and sworn to before me this 27th day of August, 2003.



Notary Public

HOLLY M. JAMES
Notary Public, State of New York
Qualified in Monroe County
My Commission Expires Nov. 30, 2006



A Citizens Communications Company

www.FrontierOnline.com

TC03-174
180 South Clinton Avenue
Rochester, NY 14646

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SEP 04 2003

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

September 3, 2003

Karen E. Cremer
Staff Attorney
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

RE: **ADDITIONAL FILING:** Certification of federal USF support for Citizens Telecommunications Company of Minnesota, Inc. – original affidavit filed August 27, 2003.

Dear Ms. Cremer:

Thank you for your letter of August 28 requesting additional information for CTC of Minnesota's USF certification in South Dakota. Pursuant to our telephone conversation yesterday, here enclosed is financial information USF support. Schedule 9 of the Minnesota annual report for the Jasper exchange shows that there were 82 out of state customers at the end of 2002; these customers were in South Dakota.

You stated you would accept the Affidavit we filed previously, and with the enclosed financial support, will consider our filing complete without a formal petition. I do appreciate that and thank you for your consideration.

Please contact me at (585)777-2778 if I can be of further service.

Sincerely,

Christanne R. Schey
Regulatory Analyst – Pricing and Tariffs

CC: Harlan Best
Scott Bohler

Enclosure

for 585-325-1355

Attachment to Affidavit
Citizens Telecommunications Company of Minnesota, Inc.

Year 2002 Federal Universal Service Receipts Subject To Certification.

1 High cost loop support	\$4,428,910
2 Local switching support	<u>\$328,464</u>
3 TOTAL	\$4,757,374

Year 2002 Expenditures For Provision, Maintenance, and Upgrading Of Facilities and Services Supported By Federal Universal Service Funding

		<u>Source</u>
Plant Specific Operations Expenses		
4 Network support (Accts. 6110-16)	\$312,508	[a]
5 General support (Accts. 6120-24)	\$5,918,223	[a]
6 Central office (Accts. 6210-6215)	\$1,998,704	[a]
7 Cable and wire facilities (Accts. 6410-6441)	\$5,224,417	[a]
8 Network operations (Accts. 6530-35)	\$5,880,540	[a]
9 Depreciation & amortization (Accts. 6560-65)	\$31,166,431	[a]
10 Customer Operations Expenses		
11 Customer services (Accts. 6620-23)	\$4,884,641	[a]
Corporate Operations Expenses		
12 Executive and planning (Accts. 6710-12)	\$2,167,832	[a]
13 General and administrative (Accts. 6720-28)	\$10,927,629	[a]
14 Total Year 2002 Supported Expenses, Before Return on Investment	\$68,480,925	
Additions		
15 Total central office switching (Acct. 2210)	\$3,747,499	[b]
16 Total cable and wire (Acct. 2410)	\$7,157,653	[b]
17 TOTAL	\$10,905,152	
18 Total Year 2001 Supported Expenditures Before Return On Investment	\$79,386,077	

[a] 2002 Minnesota Telephone Company Annual Report Schedule 5

[b] 2002 Minnesota Telephone Company Annual Report Schedule 4

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of August 28, 2003 through September 3, 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

CT03-133 In the Matter of the Complaint filed by Steve Van Zee, Miller, South Dakota, against S&S Communications/Alterna-Cell Regarding Loss of Long Distance Services.

Complainant states that he holds a promissory note from the Respondent that reached maturity on June 15, 2000, with an option to renew for an additional five years. Complainant was to receive free phone service as a part of the agreement. Service has been terminated and the complainant seeks to have his original investment returned to him.

Staff Analyst: Jim Mehlhaff
Staff Attorney: Kelly Frazier
Date Docketed: 08/28/03
Intervention deadline: N/A

CT03-134 In the Matter of the Complaint filed by Mark D. Hanson on behalf of Fort Pierre Livestock, Fort Pierre, South Dakota, against S&S Communications/Alterna-Cell Regarding Loss of Long Distance Services.

Complainant's representative states that it purchased two six-year prepaid long distance service plans on June 1, 2000, and two seventy five-month plans in July of 02. 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: 09/02/03
Intervention deadline: N/A

TELECOMMUNICATIONS

TC03-169 In the Matter of the Application of R2C Communications, Inc. for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

R2C Communications, Inc. is seeking a Certificate of Authority to provide interexchange telecommunications services in South Dakota. The Applicant will provide resold interexchange services including direct and dial around, toll free inbound, directory assistance, data, travel card and prepaid calling card services.

Staff Analyst: Keith Senger
Staff Attorney: Kelly Frazier
Date Docketed: 08/28/03

Intervention Deadline: 09/19/03

TC03-170 In the Matter of the Request of Red River Telecom, Inc. for Certification Regarding its Use of Federal Universal Service Support.

On August 28, 2003, Red River Telecom, Inc. (Red River) provided information constituting Red River's plan for the use of its federal universal service support and to otherwise verify that Red River 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: 08/28/03
Intervention Deadline: 09/12/03

TC03-171 In the Matter of the Request of Dickey Rural Telephone Cooperative for Certification Regarding its Use of Federal Universal Service Support.

On September 2, 2003, Dickey Rural Telephone Cooperative (Dickey Rural) provided information constituting Dickey Rural's plan for the use of its federal universal service support and to otherwise verify that Dickey Rural 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: 09/02/03
Intervention Deadline: 09/12/03

TC03-172 In the Matter of the Request of Dickey Rural Communications, Inc. for Certification Regarding its Use of Federal Universal Service Support.

On September 2, 2003, Dickey Rural Communications, Inc. (Dickey Rural) provided information constituting Dickey Rural's plan for the use of its federal universal service support and to otherwise verify that Dickey Rural 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: 09/02/03
Intervention Deadline: 09/12/03

TC03-173 In the Matter of the Application of South Dakota Big Sky Telecom for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

On September 2, 2003, South Dakota Big Sky Telecom filed an application for a Certificate of Authority to provide Telecommunication Services in South Dakota. South Dakota Big Sky Telecom intends to provide resold long distance telecommunications services throughout South Dakota.

Staff Analyst: Michele Farris
Staff Attorney: Karen Cremer

Date Docketed: 09/02/03
Intervention Deadline: 09/19/03

**TC03-174 In the Matter of the Request of Citizens Telecommunications Company of
Minnesota, Inc. for Certification Regarding its Use of Federal Universal
Service Support.**

On September 4, 2003, Citizens Telecommunications Company of Minnesota, Inc. (Citizens) provided information constituting Citizens' plan for the use of its federal universal service support and to otherwise verify that Citizens 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: 09/04/03
Intervention Deadline: 09/12/03

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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)	ORDER GRANTING
CITIZENS TELECOMMUNICATIONS)	CERTIFICATION
COMPANY OF MINNESOTA, INC. FOR)	
CERTIFICATION REGARDING ITS USE OF)	TC03-174
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 September 4, 2003, the South Dakota Public Utilities Commission (Commission) received a filing from Citizens Telecommunications Company of Minnesota, Inc. (Company) regarding its Request for Certification Regarding its Use of Federal Universal Service Support. The purpose of this filing was to provide information constituting

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.

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 September 4, 2003, the Commission electronically transmitted notice of the filing and the intervention deadline of September 12, 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>Mildred Kalbo</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
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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