



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

## SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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### MEMORANDUM TO COMMISSIONERS SAHR, HANSON AND BURG

FROM: Harlan Best

RE: Cheyenne River Sioux Tribe Telephone Authority, Eagle Butte, SD  
Switched Access Revenue Requirement, TC04-104

DATE: October 20, 2004

Cheyenne River Sioux Tribe Telephone Authority (CRST) filed an Intrastate Switched Access Cost Study pursuant to ARSD Chapters 20:10:27 to 20:10:29, inclusive on June 22, 2004, based on the twelve months ended December 31, 2003. The cost study submitted by CRST developed a revenue requirement of \$1,133,338. CRST's cost study did not include an adjustment for Global Crossing and MCI/Worldcom uncollectibles. CRST's access minutes of use for 2003 were 5,879,168. CRST is a member of the Local Exchange Carrier Association (LECA). As a member of LECA, CRST's revenue requirement and access minutes of use are part of the total revenue requirement and total access minutes of use used in the determination of the Carrier Common Line, Local Switching, and Common Transport rate elements for LECA.

On June 24, 2004, the Commission electronically transmitted notice of the filing and the intervention deadline of July 9, 2004, to interested individuals and entities. No interventions were received by the Commission. On July 6, 2004, the Commission voted to assess CRST a \$1000 filing fee, subject to additional amounts as requested by the Executive Director up to the statutory limit of \$100,000. (Any questions regarding the amount expended should be addressed to Heather Forney.)

Staff has reviewed the cost study filed by CRST, sent data requests, and reviewed the responses submitted by CRST. Based on staff's review and the data responses the cost study submitted by CRST should be modified to remove Digital Subscriber Line (DSL) from Central Office Equipment and directly assign the investment to the interstate Jurisdiction and assign local number portability expenses to the interstate jurisdiction. In addition four projects that were originally scheduled for 2004 will not be started in 2004 and have been removed from the cost study.

The above adjustments reduce the revenue requirement of CRST to \$1,099,577. This revenue requirement is acceptable to CRST.

Respectively submitted: Harlan Best

cc Douglas J. Neff, Johnson Stone & Pagano