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September 16, 2004

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Pam Bonrud, Executive Director
Public Utilities Commission of the State of South Dakota
500 East Capitol Avenue
Pierre, SD 57501

Re: Filing of Amendment to the Interconnection Agreement between Qwest Corporation and Sancom Inc. (d/b/a Mitchell Telecom)
Our File No. 2104.078

Dear Ms. Bonrud:

Pursuant to ARSD 20:10:32:21 enclosed for filing are an original and ten (10) copies of the Triennial Review Order and USTA II Decision Amendment between Sancom, Inc. d/b/a Mitchell Telecom ("Sancom") and Qwest Corporation ("Qwest") for approval by the Commission. This is an amendment to the agreement between Sancom and Qwest which is pending Commission approval.

The agreement is amended by changing or adding terms, conditions and rates for certain network elements as set forth in Attachment 1 and Exhibit A to the amendment.

Sancom has authorized Qwest to submit this amendment on Sancom's behalf.

Sincerely yours,

BOYCE, GREENFIELD, PASHBY & WELK, L.L.P.

Thomas J. Welk

TJW/vjj

Enclosures

cc: (w/o enc) Gene Kroell, - Sancom
Colleen Sevold
Luba Hromyk

**Triennial Review Order and USTA II Decision Amendment
to the Interconnection Agreement between
Qwest Corporation and
Sancom, Inc., d.b.a. Mitchell Telecom
for the State of South Dakota**

SEP 20 2004

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

This is an Amendment ("Amendment") to incorporate the Triennial Review Order (TRO) and the USTA II Decision into the Interconnection Agreement between Qwest Corporation ("Qwest"), formerly known as U S WEST Communications, Inc., a Colorado corporation, and Sancom, Inc., d.b.a. Mitchell Telecom ("CLEC"). CLEC and Qwest shall be known jointly as the "Parties".

RECITALS

WHEREAS, CLEC and Qwest entered into an Interconnection Agreement after June 15, 2004, which was based on law existing before October 2, 2003; and

WHEREAS, the Federal Communications Commission ("FCC") promulgated new rules and regulations pertaining to, among other things, the availability of unbundled network elements pursuant to Section 251(c)(3) of the Telecommunications Act of 1996 (the "Act") and its Report and Order *In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; Deployment of Wireline Services Offering Advanced Telecommunications Capability*, CC Docket Nos. 01-338, 96-98 and 98-147, released on August 21, 2003 ("TRO"); and

WHEREAS, the United States Court of Appeals for the Washington D.C. Circuit, among other things, vacated the FCC's rules with respect to several unbundled network elements in its decision, *USTA v. FCC*, 359 F.3d 554 (D.C. Cir. 2004) (effective June 16, 2004) ("USTA II Decision"); and

WHEREAS, the FCC further issued Interim Rules in its Order and Notice of Proposed Rulemaking *In the Matter of Unbundled Access to Network Elements, Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, WC Docket No. 04-313, CC Docket No. 01-338, released on August 20, 2004 ("Interim Rules"); and

WHEREAS, the TRO, effective October 2, 2003, the USTA II Decision, effective June 16, 2004, and the Interim Rules, released August 20, 2004, materially modified Qwest's obligations under the Act with respect to, among other things, the requirement to offer certain network elements on an unbundled basis; and

WHEREAS, the Parties wish to amend the Agreement to comply with the above referenced orders hereby agree to do so under the terms and conditions contained herein.

AGREEMENT

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. Amendment Terms

A. To the extent applicable, the Agreement is hereby amended by changing or adding terms, conditions and rates for certain network elements as set forth in Attachment 1 and Exhibit A, to this Amendment, attached hereto and incorporated herein by this reference.

B. Rates in Exhibit A shall be updated to reflect legally binding decisions of the Commission and shall be applied on a prospective basis from the effective date of the legally binding Commission decision, unless otherwise ordered by the Commission.

II. Limitations.

A. Nothing in this Amendment shall be deemed an admission by Qwest or CLEC concerning the interpretation or effect of the FCC's decision and rules adopted in TRO and/or the Interim Rules, nor rules, regulations and interpretations thereof, including but not limited to state rules, regulations, and laws as they may be issued or promulgated regarding the same ("Decision(s)"). Nothing in this Amendment shall preclude or estop Qwest or CLEC from taking any position in any forum concerning the proper interpretation or effect of Decisions or concerning whether the Decisions should be changed, vacated, dismissed, stayed or modified.

B. The Parties agree that the scope and degree to which Qwest is obligated to provision the unbundled network elements pursuant to Section 251 of the Act hereinafter will be to the extent required by Section 251. That means that, in the event that Qwest's obligations to provide UNEs are altered by the issuance of permanent rules, and/or by court order, FCC decision, and/or legislation, such alteration to Qwest's obligation to provide the affected UNEs will be made automatically applicable to this Agreement immediately upon its effectiveness without further need for amendment to this Agreement.

III. Conflicts.

In the event of a conflict between this Amendment and the terms and conditions of the Agreement, this Amendment shall control, provided, however, that the fact that a term or provision appears in this Amendment but not in the Agreement shall not be interpreted as, or deemed a grounds for finding, a conflict for purposes of this Section III.

IV. Scope.

This Amendment shall amend, modify and revise the Agreement only to the extent the network elements listed in Attachment 1 and Exhibit A are included in the Agreement and, except to the extent set forth in Section I and Section II of this Amendment, the terms and provisions of the Agreement shall remain in full force and effect after the execution date.

V. Effective Date

This Amendment shall be deemed effective upon approval by the Commission except where the change of law provision in CLEC's Interconnection Agreement specifies a different effective date. The Parties agree to implement the provisions of this Amendment upon execution ("execution date").

VI. Further Amendments

The provisions of this Amendment, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions of this Amendment may not be given without the written consent thereto by both Parties' authorized representative. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, will be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

VII. Entire Agreement

The Agreement as amended (including the documents referred to herein) constitutes the full and entire understanding and agreement between the Parties with regard to the subjects of the Agreement as amended and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they relate in any way to the subjects of the Agreement as amended.

The Parties intending to be legally bound have executed this Amendment as of the dates set forth below, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

Sancom, Inc., d.b.a. Mitchell Telecom



Signature

GENE KROELL

Name Printed/Typed

GM

Title

9-11-04

Date

Qwest Corporation



Signature

L. T. Christensen

Name Printed/Typed

Director – Interconnection Agreements

Title

9/14/04

Date

Table of Contents

RECITALS..... 1
TABLE OF CONTENTS.....4
1.0 DEFINITIONS5
2.0 UNBUNDLED NETWORK ELEMENTS (UNE) GENERALLY5
2.1 UNBUNDLED LOOP6
2.2 SUBLOOP UNBUNDLING9
2.3 LINE SHARING.....9
2.4 UNBUNDLED DEDICATED INTEROFFICE TRANSPORT (UDIT) 11
2.5 UNBUNDLED LOCAL SWITCHING.....12
2.6 COMMINGLING12
2.7 RATCHETING.....13
2.8 DIRECTORY ASSISTANCE SERVICE13
2.9 TOLL AND ASSISTANCE OPERATOR SERVICES.....14
2.10 ROUTINE MODIFICATIONS14

1.0 Definitions

"Commingling" means the connecting, attaching, or otherwise linking of an Unbundled Network Element, or a Combination of Unbundled Network Elements, to one or more facilities or services that a requesting Telecommunications Carrier has obtained at wholesale from Qwest, or the combination of an Unbundled Network Element, or a Combination of Unbundled Network Elements, with one or more such facilities or services.

"Commingle" means the act of Commingling.

"Dedicated Transport" is a Qwest provided digital transmission path between Qwest Wire Centers, Qwest End Office Switches, and Qwest Tandem Switches to which CLEC is granted exclusive use.

"Unbundled Network Element" (UNE) is a Network Element that has been defined by the FCC as a Network Element to which Qwest is obligated under Section 251(c)(3) of the Act to provide unbundled access or for which unbundled access is provided under CLEC's Agreement and under this Amendment. Unbundled Network Elements do not include those Network Elements Qwest is obligated to provide only pursuant to Section 271 of the Act.

2.0 Unbundled Network Elements (UNE) Generally

2.0.1 UNEs shall be obtained solely for the provision of Telecommunications Services only to the extent allowed by law, which does not include telecommunications utilized by CLEC for its own administrative use. UNEs shall not be used solely to provide wireless services also known as Commercial Mobile Radio Service (CMRS).

2.0.2 CLEC's Interconnection Agreement may include terms and conditions for certain Network Elements that Qwest is no longer required to offer on an unbundled basis pursuant to Section 251 of the Act. The FCC determined in its Triennial Review Order that certain Network Elements do not satisfy the FCC's impairment test, and as a result, Qwest is no longer obligated to offer to CLEC those Network Elements on an unbundled basis pursuant to Section 251 of the Act. As of the execution date of this Amendment, CLEC shall not order, and Qwest will not provide, the following Network Elements on an unbundled basis pursuant to Section 251 of the Act:

- a) OCn Loops;
- b) Fiber to the Home, except as identified in Section 2.1.2.1.2.2 below;
- c) Hybrid Unbundled Loops except as required by Section 2.1.2.2 below;
- d) Non-copper distribution Subloop, unless required to access Qwest-owned inside wire at an MTE;
- e) Feeder Subloops;
- f) Line Sharing, except in accordance with the Grandfathering and Transition Plan described in Section 2.3 below;
- g) E-UDIT (Extended Unbundled Dedicated Interoffice Transport), E-UDF

(Extended Unbundled Dark Fiber), and Transport from a CLEC's Premises to a Qwest Wire Center;

- h) OCn UDIT;
- i) UDIT and UDF as a part of a Meet-Point arrangement;
- j) Remote Node/Remote Port;
- k) SONET add/drop multiplexing and 3/1 and 1/0 multiplexing;
- l) Enterprise Unbundled Local Switching and related services, including UNE-P PRI, UNE-P DSS, Customized Routing, Shared Transport, Signaling, and Call-related Databases (see Section 2.5 below);
- m) Unbundled Local Tandem Switching at the DS1 or above capacity;
- n) Packet Switching; and
- o) Directory Assistance Service and Operator Services (except see Sections 2.8 and 2.9 below – these services are provided under this Amendment at market-based rates).

2.0.3 CLEC's Interconnection Agreement may include terms and conditions for certain Network Elements that had been established by the FCC under its Triennial Review Order as Section 251 Unbundled Network Elements. However, the March 2, 2004 Decision by the United States Court of Appeals for the Washington D.C. Circuit vacated the FCC's rules with respect to unbundling obligations for several Network Elements, as listed below in this Section. As of the execution date of this Amendment, CLEC shall not order, and Qwest will not provide, the following Network Elements on an unbundled basis pursuant to Section 251 of the Act:

- a) Unbundled Loops at DS1 and DS3 capacities;
- b) Unbundled Dark Fiber Loops (UDF-Loops);
- c) Enhanced Extended Loops (EEL) at DS1 and above capacities;
- d) Unbundled Dedicated Interoffice Transport (UDIT) at DS1 and DS3 capacities;
- e) Unbundled Dark Fiber Interoffice Facilities (UDF-IOF);
- f) Unbundled Customer-Controlled Rearrangement Element (UCCRE); and
- g) Mass Market Unbundled Local Switching and related services, including UNE-P, Customized Routing, Shared Transport, Signaling, and Call-related Databases (see Section 2.5 below).

2.0.4 Upon the execution date of this Amendment, CLEC shall begin to submit orders to disconnect or to make other arrangements to convert any former Unbundled Network Elements listed in Sections 2.0.2

and 2.0.3 above that Qwest is providing to CLEC under CLEC's Interconnection Agreement. Any elements listed in Sections 2.0.2 or 2.0.3 above remaining in service on January 1, 2005 will be converted to an alternative arrangement such as resale or Qwest Tariffed service. The effective date of those conversions will be governed by the change of law provision in CLEC's Interconnection Agreement or January 1, 2005, whichever is earlier.

2.1 Unbundled Loop

2.1.1 CLEC's Interconnection Agreement terms and conditions shall govern those existing CLEC Unbundled Loop elements listed below until such time as they are converted or disconnected pursuant to Section 2.0.4 of this Amendment.

- a) Unbundled Loops at DS1 and DS3 capacities;
- b) OCn Unbundled Loops;
- c) Fiber to the Home Unbundled Loops (FTTH) except as identified in 2.1.2.1.2.2 below;
- d) Unbundled Dark Fiber Loops (UDF-Loops);
- e) Enhanced Extended Loop (EEL) at DS1 and above capacities; and
- f) Hybrid Unbundled Loops except as required by Section 2.1.2.2 below.

2.1.2 **Fiber to the Home (FTTH) Loops.** For purposes of this Section, a Fiber to the Home ("FTTH") loop is a local Loop consisting entirely of fiber optic cable, whether dark or lit, and serving an End User Customer's premises or, in the case of predominantly residential multiple dwelling units (MDUs), a fiber optic cable, whether dark or lit, that extends to the multiunit premises' minimum point of entry (MPOE).

2.1.2.1 FTTH New Builds. Qwest shall have no obligation to provide access to a FTTH loop as an Unbundled Network Element in any situation where Qwest deploys such a loop to an End User Customer's premises that had not previously been served by any loop facility prior to October 2, 2003.

2.1.2.2 FTTH Overbuilds. Qwest shall have no obligation to provide access to a FTTH loop as an Unbundled Network Element in any situation where Qwest deploys such a loop parallel to, or in replacement of, an existing copper loop facility. Notwithstanding the foregoing, where Qwest deploys a FTTH loop parallel to, or in replacement of, an existing copper loop facility:

2.1.2.2.1 Qwest shall: (i) leave the existing copper loop connected to the End User Customer's premises after deploying the FTTH loop to such premises, and (ii) upon request provide access to such copper loop as an Unbundled Network Element. Notwithstanding the foregoing, Qwest shall not be required to incur any expense to ensure that any such existing copper loop remains capable of transmitting signals prior to receiving a request from CLEC for access, as set forth above, in which case Qwest shall restore such copper loop to serviceable condition. Any such restoration shall not be

subject to Performance Indicator Definition or other performance service measurement or intervals. Qwest's obligations under this subsection 2.1.2.2.1 shall terminate when Qwest retires such copper Loop in accordance with the provisions of Section 2.1.2.2.3 below.

2.1.2.2.2 In the event Qwest, in accordance with the provisions of Section 2.1.2.2.3 below, retires the existing copper loop connected to the End User Customer's premises, Qwest shall provide access, as an Unbundled Network Element over the FTTH loop, to a 64 kbps transmission path capable of voice grade service.

2.1.2.2.3 Retirement of Copper Loops or Copper Subloops and Replacement with FTTH Loops. In the event Qwest decides to replace any copper loop or copper Subloop with a FTTH Loop, Qwest will: (i) provide notice of such planned replacement on its website (www.qwest.com/disclosures) and (ii) provide public notice of such planned replacement to the FCC. Such notices shall be in addition to any applicable state Commission notification that may be required. Any such notice provided to the FCC shall be deemed approved on the ninetieth (90th) Day after the FCC's release of its public notice of the filing, unless an objection is filed pursuant to the FCC's rules. In accordance with the FCC's rules: (i) a CLEC objection to a Qwest notice that it plans to replace any copper loop or copper subloop with a FTTH Loop shall be filed with the FCC and served upon Qwest no later than the ninth (9th) business day following the release of the FCC's public notice of the filing and (ii) any such objection shall be deemed denied ninety (90) Days after the date on which the FCC releases public notice of the filing, unless the FCC rules otherwise within that period.

2.1.2.3 Hybrid Loops – A "Hybrid Loop" is an Unbundled Loop composed of both fiber optic cable, usually in the feeder plant, and copper wire or cable, usually in the distribution plant.

2.1.2.3.1 Packet Switching Facilities, Features, Functions and Capabilities – Qwest is not required to provide unbundled access to the Packet Switched features, functions and capabilities of its Hybrid Loops. Packet switching capability is the routing or forwarding of packets, frames, cells, or other data units based on address or other routing information contained in the packets, frames, cells or other data units, and the functions that are performed by the digital subscriber line access multiplexers, including but not limited to the ability to terminate an End User Customers' copper loop (which includes both a low-band voice channel and a high-band data channel, or solely a data channel); the ability to forward the voice channels, if present, to a circuit Switch or multiple circuit Switches; the ability to extract data units from the data channels on the loops; and the ability to combine data units from multiple loops onto one or more trunks connecting to a Packet Switch or Packet Switches.

2.1.2.3.2 Broadband Services – When CLEC seeks access to a Hybrid Loop for the provision of broadband services, Qwest shall provide CLEC with nondiscriminatory access to the time division multiplexing features, functions, and capabilities of that Hybrid Loop on an unbundled basis to establish a complete transmission path between Qwest's Central Office and an End User Customer premises. This access shall include access to all features, functions, and capabilities of the Hybrid Loop that are not used to transmit packetized information.

2.1.2.3.3 Narrowband Services – When CLEC seeks access to a Hybrid Loop for the provision of narrowband services, Qwest may either:

- a) Provide nondiscriminatory access, on an unbundled basis, to an entire Hybrid Loop capable of voice-grade service (i.e., equivalent to DS0 capacity), using time division multiplexing technology; or
- b) Provide nondiscriminatory access to a spare home-run copper loop serving that End User Customer on an unbundled basis.

2.2 Subloop Unbundling

2.2.1 CLEC's Interconnection Agreement terms and conditions shall govern those existing CLEC unbundled feeder subloop and non-copper distribution subloop elements until such time as they are converted or disconnected pursuant to Section 2.0.4 of this Amendment.

2.2.2 An Unbundled Subloop is defined as the distribution portion of a copper Loop or hybrid Loop comprised entirely of copper wire or copper cable that acts as a transmission facility between any point that it is Technically Feasible to access at terminals in Qwest's outside plant (originating outside of the Central Office), including inside wire owned or controlled by Qwest, and terminates at the End User Customer's premises. An accessible terminal is any point on the Loop where technicians can access the wire or fiber within the cable without removing a splice case to reach the wire or fiber within. Such points may include, but are not limited to, the pole, pedestal, Network Interface Device, minimum point of entry, single point of Interconnection, Remote Terminal, Feeder Distribution Interface (FDI), or Serving Area Interface (SAI). CLEC shall not have access on an unbundled basis to a feeder subloop defined as facilities extending from the Central Office to a terminal that is not at the End User Customer's premises or multiple tenant environment (MTE). CLEC shall have access to the feeder facilities only to the extent it is part of a complete transmission path, not a subloop, between the Central Office and the End User Customer's premises or MTE.

2.2.3 Qwest's obligation to construct a Single Point of Interface (SPOI) is limited to those MTEs where Qwest has distribution facilities to that MTE and owns, controls, or leases the inside wire at the MTE. In addition, Qwest shall have an obligation to construct a SPOI only when CLEC indicates that it intends to place an order for access to an unbundled Subloop Network Element via a SPOI.

2.2.4 Access to Distribution Loops or Intrabuilding Cable Loops at an MTE Terminal within a non-Qwest owned MTE is done through an MTE-POI. Collocation is not required to access Subloops used to access the network infrastructure within an MTE, unless CLEC requires the placement of equipment in a Qwest Premises. Cross-Connect Collocation, refers to creation of a cross connect field and does not constitute Collocation. The terms and conditions of Collocation do not apply to Cross-Connect Collocation if required at or near an MTE.

2.3 Line Sharing

2.3.1 Qwest shall not be required to provide Line Sharing as an Unbundled Network Element except as set forth below.

2.3.2 **Grandfathered Line Sharing Arrangements.** Any Line Sharing arrangement that had a Due Date on or before October 1, 2003 and was still in operation as of such date shall be "grandfathered" in accordance with the provisions of this subsection ("Grandfathered Line Sharing Arrangement"). For any such Grandfathered Line Sharing Arrangement, the rate in effect as of October 2, 2003 shall remain in effect unless modified by order, ruling or decision of the FCC. A Grandfathered Line Sharing

Arrangement shall automatically terminate on the earlier to occur of: (i) the date on which the End User Customer served by such Grandfathered Line Sharing Arrangement cancels or otherwise discontinues its subscription to the DSL service of CLEC or its successor or assign, or (ii) the date as of which such Grandfathered Line Sharing Arrangement is terminated or discontinued by order, ruling or decision of the FCC. In addition, CLEC may disconnect, or may convert to another Qwest product as is Technically Feasible, any Grandfathered Line Sharing Arrangement at any time.

2.3.3 Three Year Transition Period. CLEC may order Line Sharing arrangements during the period beginning on October 2, 2003 and ending on October 1, 2004 ("New Line Sharing Arrangement") in accordance with the provisions of this subsection. The Due Date for any New Line Sharing Arrangement may be no later than October 1, 2004, and CLEC may not order any New Line Sharing Arrangement after October 1, 2004. Any New Line Sharing Arrangement shall automatically terminate if, at any time after October 1, 2004, the End User Customer served by such New Line Sharing Arrangement cancels or otherwise discontinues its subscription to the DSL service of CLEC or its successor or assign. The nonrecurring charge for the installation of Line Sharing arrangements shall apply to any New Line Sharing arrangements. The monthly recurring charge for any New Line Sharing Arrangement shall apply as set forth below.

- a) During the period beginning on October 2, 2003 and ending on October 1, 2004, the monthly recurring charge for any such New Line Sharing Arrangement in all zones shall be twenty-five (25) percent of the monthly recurring charge for access to a stand-alone unbundled copper Loop for zone 1 that is in effect as of October 2, 2003, as provided in Exhibit A
- b) During the period beginning on October 2, 2004 and ending on October 1, 2005, the monthly recurring charge for any such New Line Sharing Arrangement in all zones shall be fifty (50) percent of the monthly recurring charge for access to a stand-alone unbundled copper Loop for zone 1 that is in effect as of October 2, 2003, as provided in Exhibit A.
- c) During the period beginning on October 2, 2005 and ending on October 1, 2006, the monthly recurring charge for any such New Line Sharing Arrangement in all zones shall be seventy-five (75) percent of the monthly recurring charge for access to a stand-alone unbundled copper Loop for zone 1 that is in effect as of October 2, 2003, as provided in Exhibit A.
- d) **Completion of Transition.** New Line Sharing Arrangements will no longer be available as of October 2, 2006. No later than October 2, 2006, CLEC must convert all New Line Sharing arrangements to a Line Splitting arrangement, to a stand-alone Unbundled Loop, or to such other arrangement as CLEC may have negotiated with Qwest to replace such New Line Sharing arrangement.
- e) As of February 2, 2004, Qwest's Billing systems are not equipped to Bill the rates for New Line Sharing Arrangements described in paragraphs (a) through (c) above. Qwest will not commence Billing the rates for New Line Sharing Arrangements described in paragraphs (a) through (c) above until Qwest has provided CLEC with forty-five (45) Days notice, in accordance with CLEC's Interconnection Agreement and this Amendment. Until such notice has been given, and the forty-five (45) Day notice period has expired, Qwest will Bill a rate for New Line Sharing Arrangements equal to the rate in effect as of October 1, 2003, unless modified by order, ruling or decision of the FCC.

2.3.4 Discontinuation of Voice Service. Notwithstanding anything herein to the contrary, if an End User Customer disconnects voice service provided by Qwest, the Line Sharing arrangement shall terminate. CLEC may arrange to provide DSL service to the End User Customer through purchase of an Unbundled Loop.

2.3.5 Successors and Assigns. Line Sharing arrangements may be transferred or assigned by CLEC to another Carrier as set forth below.

2.3.5.1 Grandfathered Line Sharing Arrangements. Any Grandfathered Line Sharing Arrangement shall be transferable or assignable by CLEC to another Carrier if the DSL service to CLEC's End User Customer is not canceled or discontinued in connection with such transfer or assignment. In such event, the monthly recurring rate in effect as of October 2, 2003 shall remain in effect with respect to such Grandfathered Line Sharing Arrangement until it is terminated or modified in accordance with the provisions of this Section 2.3. Carrier must have the Transfer of Responsibility language incorporated into their Interconnection Agreement to make such transfer or assignment. Notwithstanding the foregoing, in the event the transfer or assignment of any Grandfathered Line Sharing Arrangement involves: (i) cancellation or discontinuation of the DSL service to CLEC's End User Customer, or (ii) re-termination of the End User Customer's DSL service, then (a) such Line Sharing arrangement shall no longer be subject to the grandfathering provisions of this Section 2.3 and (b) such line shall be eligible for treatment as a New Line Sharing Arrangement pursuant to, and subject to the terms and conditions of, this Section 2.3 (including, without limitation, the specified recurring and nonrecurring charges for New Line Sharing Arrangements and the October 1, 2004 deadline for establishing New Line Sharing Arrangements).

2.3.5.2 New Line Sharing Arrangements. Any New Line Sharing Arrangement shall be transferable or assignable by CLEC to another Carrier provided that such transfer or assignment takes place before October 1, 2004. Carrier must have the Transfer of Responsibility language incorporated into their Interconnection Agreement to make such transfer or assignment. Following transfer or assignment, the New Line Sharing Arrangement in question will be assessed the monthly recurring rates described in Sections 2.3.4 (a)-(e) above, and shall be subject to termination in accordance with this Section 2.3. If re-termination of a New Line Sharing arrangement is required to complete any such transfer or assignment, then the new Carrier will be assessed the nonrecurring rates for New Line Sharing Arrangements as specified in this Section 2.3 above. No transfers or assignments of New Line Sharing Arrangements shall be allowed after October 1, 2004.

2.4 Unbundled Dedicated Interoffice Transport (UDIT)

2.4.1 CLEC's Interconnection Agreement terms and conditions shall govern those existing CLEC Unbundled Dedicated Interoffice Transport (UDIT) elements listed below until such time as they are converted or disconnected pursuant to Section 2.0.4 of this Amendment.

- a) E-UDIT (Extended Unbundled Dedicated Interoffice Transport), Extended Unbundled Dark Fiber (E-UDF); and Transport between CLEC's premises and a Qwest wire center;
- b) OCn UDIT;

ATTACHMENT 1

- c) UDIT and UDF as a part of a Meet-Point arrangement,
- d) Remote Node/Remote Port;
- e) SONET add/drop multiplexing and 3/1 and 1/0 multiplexing;
- f) Unbundled Dark Fiber Interoffice Facilities (UDF-IOF);
- g) Enhanced Extended Loop (EEL) Interoffice Facilities at DS1 and above capacities;
- h) Unbundled Customer-Controlled Rearrangement Element (UCCRE); and
- i) UDIT at DS1 and DS3 capacities.

2.5 Unbundled Local Switching

2.5.1 CLEC's Interconnection Agreement terms and conditions shall govern those existing CLEC Unbundled Switching and related elements listed below until such time as they are converted or disconnected pursuant to Section 2.0.4 of this Amendment.

- a) Enterprise and Mass Market Unbundled Local Switching, and related services:
 - Customized Routing
 - Signaling
 - AIN Database Services
 - Line Information Database (LIDB)
 - 8XX Database Services
 - InterNetwork Calling Name (ICNAM)
 - Unbundled Network Element - Platform (UNE-P)
 - Local Number Portability (LNP) Database
 - Shared Transport
- b) Packet Switching
- c) Unbundled Local Tandem Switching

2.6 Commingling

2.6.1 To the extent it is Technically Feasible, CLEC may Commingle Telecommunications Services purchased on a resale basis with an Unbundled Network Element or combination of Unbundled Network Elements. Notwithstanding the foregoing, the following are not available for resale Commingling:

- a) Non-telecommunications services;
- b) Enhanced or Information services;
- c) Features or functions not offered for resale on a stand-alone basis or separate from basic Exchange Service; and
- d) Network Elements offered pursuant to Section 271.

2.6.2 CLEC may Commingle DS0 UNEs and combinations of DS0 UNEs with wholesale services and facilities (e.g., Switched and Special Access Services offered pursuant to Tariff) and request Qwest to

perform the necessary functions to provision such Commingling. CLEC will be required to provide the CFA (Connecting Facility Assignment) of CLEC's network demarcation (e.g., Collocation or multiplexing facilities) for each UNE, UNE Combination, or wholesale service when requesting Qwest to perform the Commingling of such services. Qwest shall not deny access to a UNE on the grounds that the UNE or UNE Combination shares part of Qwest's network with Access Services.

2.6.2.1 Work performed by Qwest to Commingle services at CLEC's request or to provide services that are not subject to standard provisioning intervals will not be subject to standard provisioning intervals, or to performance measures and remedies, if any, contained in CLEC's Interconnection Agreement or elsewhere, by virtue of that service's inclusion in a requested Commingled service arrangement. Provisioning intervals applicable to services included in a requested Commingled service arrangement will not begin to run until CLEC provides a complete and accurate service request and necessary CFAs to Qwest, and Qwest completes work required to perform the Commingling that is in addition to work required to provision the service as a stand-alone facility or service.

2.6.3 Qwest will not combine or Commingle services or Network Elements that are offered by Qwest pursuant to Section 271 of the Communications Act of 1934, as amended, with Unbundled Network Elements or combinations of Unbundled Network Elements.

2.6.4 Services are available for Commingling only in the manner in which they are provided in Qwest's applicable product Tariffs, catalogs, price lists, or other Telecommunications Services offerings.

2.6.5 Entrance Facilities obtained pursuant to Tariff are available for Commingling. Entrance Facilities and mid-span meet SPOI obtained pursuant to the LIS Section of CLEC's Interconnection Agreement are not available for Commingling.

2.7 Ratcheting

2.7.1 To the extent a Qwest Tariffed service is used to provide both UNEs and non-UNE services, Qwest shall not be required to bill for such Qwest Tariffed service at blended or multiple rates (otherwise known as Ratcheting). Instead, CLEC shall be assessed the Tariffed rate, or resale rate, or the rate from other Qwest wholesale service offerings, as appropriate, for the non-UNE service.

2.7.2 To the extent a multiplexed facility is included in a Commingled circuit, the multiplexed facility will be ordered and billed pursuant to the appropriate Tariff.

2.8 Directory Assistance Service

2.8.1 Directory Assistance Service is a telephone number, voice Information Service that Qwest provides to its own End User Customers and to other Telecommunications Carriers. Qwest provides CLEC non-discriminatory access to Qwest's Directory Assistance centers, services and Directory Assistance Databases. There are three (3) forms of Directory Assistance Services available pursuant to CLEC's Interconnection Agreement -- Directory Assistance Service, Directory Assistance List Services, and Directory Assistance Database Service. These services are available with CLEC-specific branding, generic branding and Directory Assistance Call Completion Link options. Qwest will provide CLEC with non-discriminatory access to its Directory Assistance Service. Directory Assistance Service is provided to CLEC for resale with resold local exchange lines at the wholesale discount as described in Exhibit A. Directory Assistance Service is provided to CLEC as a facilities-based provider pursuant to Section 251(b)(3) of the Act. As such, the pricing requirements of Section 252(d)(1) of the Act are not

applicable. Directory Assistance Service shall be provided to CLEC as a facilities-based provider at market-based rates as described in Exhibit A.

2.9 Toll and Assistance Operator Services

2.9.1 Toll and assistance operator services are a family of offerings that assist End User Customers in completing EAS/local and long distance calls. Qwest provides non-discriminatory access to Qwest operator service centers, services and personnel. Qwest will provide CLEC with non-discriminatory access to its operator services. Toll and assistance operator services are provided to CLEC for resale with resold local exchange lines at the wholesale discount as described in Exhibit A. Toll and assistance operator services are provided to CLEC as a facilities-based provider pursuant to Section 251(b)(3) of the Act. As such, the pricing requirements of Section 252(d)(1) of the Act are not applicable. Toll and assistance operator services shall be provided to CLEC as a facilities-based provider at market-based rates as described in Exhibit A.

2.10 Routine Modifications

2.10.1 Qwest will also perform routine modifications to existing loop and transport facilities used by CLEC to the same extent it performs such activities for its own retail End User Customers, including, but not limited to, rearrangement or splicing of cable (including rearrangement of existing pairs to include fiber hub counts and rearrangement of existing pairs to extend the line), adding a doubler or repeater, adding and/or rearranging an equipment case, adding a smart jack, installing a repeater shelf, adding a line card, and deploying a new multiplexer or reconfiguring an existing multiplexer.

TRO Amendment Exhibit A South Dakota

		Recurring	Recurring, per Mile	Non- Recurring	REC	REC per Mile	NRC
9.4 Shared Services							
9.4.1	Shared Loop						
9.4.1.1	Grandfathered Shared Loop, per Loop, Orders Received Prior to 10/2/03	\$0.00		\$37.27	#		1
9.4.1.2	Shared Loop, per Loop, Orders Received 10/2/03 - 10/1/04					13	
9.4.1.2.1	Shared Loop, Initial Rates	\$0.00					
9.4.1.2.2	Shared Loop, per Loop 10/2/03 - 10/1/04	\$3.80				14	
9.4.1.2.3	Shared Loop, per Loop 10/2/04 - 10/1/05	\$7.60				14	
9.4.1.2.4	Shared Loop, per Loop 10/2/05 - 10/1/06	\$11.40				14	

Voluntary Rate Reduction, Docket TC01-165, effective 12/12/02. Reductions reflected in the 12/12/02 Exhibit A.

[1] Rates addressed in Cost Docket filed on October 15, 2002.

[13] Initially, Qwest will bill the grandfathered recurring rates for new Shared Loops. Qwest will begin billing the post TRO prices only after CLECs have been provided a forty-five (45) day notice. Rates will be applied prospectively.

[14] Post TRO Shared Loop Rates were developed using the 2-Wire Nonloaded Loop rate, Zone 1 (\$13.53) as the basis rate. 10/2/03 - 10/1/04 was developed using 25% of basis rate; 10/2/04 - 10/1/05 was developed using 50% of basis rate; 10/2/05 - 10/1/06 was developed using 75% of basis rate. New Shared Loop Arrangements will no longer be available as of 10/2/04. No later than 10/2/06, CLEC must convert all Shared Loop arrangements to a Line Splitting arrangement, to a stand-alone Unbundled Loop, or such other arrangement as CLEC may have negotiated with Qwest to replace such Shared Loop arrangement.

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of September 17, 2004 through September 22, 2004

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: 605-773-3201

TELECOMMUNICATIONS

TC04-199 In the Matter of the Filing for Approval of an Amendment to an Interconnection Agreement Between Qwest Corporation and DIECA Communications, Inc. D/B/A Covad Communications Company

On September 17, 2004, the Commission received a filing for approval of an Expedites for Design Services Amendment to the Interconnection Agreement between Qwest Corporation and DIECA Communications, Inc., d/b/a Covad Communications Company. The parties state that the amendment adds terms, conditions, and rates for Expedites For Design Services. Any party wishing to comment on the Amendment may do so by filing written comments with the Commission and the parties to the Amendment no later than Thursday, October 7, 2004. Parties to the Amendment may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Sara B. Harens
Date Filed: 09/17/04
Initial Comments Due: 10/07/04

TC04-200 In the Matter of the Filing by Level 3 Communications, LLC for Approval of Revisions to its Intrastate Switched Access Tariff.

On September 5, 2003, Level 3 Communications LLC filed a petition asking for exemption from developing company-specific cost-based switched access rates. On November 13, 2003, the Commission issued an Order granting Level 3 an exemption and approved a request to mirror the Qwest Corporation tariffed intrastate access rates. On January 20, 2004, Qwest Corporation filed to reduce the Carrier Common Line rate. On May 13, 2004, the Commission issued an Order approving Qwest's rate reduction. On August 27, 2004, Level 3 filed tariff revisions to reduce its Carrier Common Line rate to mirror Qwest's rate.

Staff Analyst: Keith Senger
Staff Attorney: Karen Cremer/Sara Harens
Date Filed: 08/27/04
Intervention Deadline: 10/01/04

TC04-201 In the Matter of the Filing by Qwest Corporation of its Notice of Deletion of Exhibit B-1 and Modifications to Exhibit B of its Statement of Generally Available Terms and Conditions (SGAT) and Motion to Modify the Qwest Performance Assurance Plan Found in Exhibit K of its SGAT.

On September 16, 2004, Qwest Corporation (Qwest) submitted an updated Exhibit B to the Statement of Generally Available Terms and Conditions (SGAT) comprising Version 8.0, which is the Performance Indicator Definitions. Qwest requests that Exhibit B-1 be deleted from the SGAT. Qwest also submitted its revised Qwest Performance Assurance Plan (QPAP) found in Exhibit K of the SGAT for modifications to reflect changes from the June 24, 2004, filing of an updated Exhibit B that took effect pursuant to 47 U.S.C. Section 252(f)(3) sixty days later. Qwest

requests that the Commission approve Exhibit B and QPAP, as revised and modified, designate PO-20 as Tier 1 Medium without a Tier 2 assignment, establish a low-volume-differentiated benchmark for PO-20, and allow PO-20 a measurement stabilization for no more than three months with the implementation of each phase. Qwest requests that the Commission approve the modifications and permit the amended Exhibit B to go into effect on October 1, 2004, but in any event pursuant to 47 U.S.C. Section 252(f)(3) no later than 60 days after submission. Further, Qwest requests, pursuant to Section 16 of the QPAP, that the changes automatically apply to all existing interconnection agreements that contain Exhibit B, Exhibit B-1 and the QPAP, Exhibit K as exhibits.

Staff Analyst: Harlan Best
Staff Attorney: Karen E. Cremer
Date Filed: 09/16/04
Intervention Deadline: 10/08/04

TC04-202 In the Matter of the Filing for Approval of an Amendment to an Interconnection Agreement between Qwest Corporation and Sancom, Inc. d/b/a Mitchell Telecom.

On September 20, 2004, the Commission received a filing for approval of a Triennial Review Order and USTA II Decision Amendment to the Interconnection Agreement between Qwest Corporation and Sancom Inc. d/b/a Mitchell Telecom. The parties state that the amendment changes or adds terms, conditions, and rates for certain network elements. Any party wishing to comment on the Amendment may do so by filing written comments with the Commission and the parties to the Amendment no later than Thursday, October 12, 2004. Parties to the Amendment may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Sara B. Harens
Date Filed: 09/20/04
Initial Comments Due: 10/12/04

TC04-203 In the Matter of the Filing by Kadoka Telephone Company for Approval of Revisions to its Intrastate Switched Access Rates.

On September 21, 2004, Kadoka Telephone Company, Kadoka, South Dakota, filed revised Switched Access Tariff rates with a proposed effective date of October 20, 2004. In accordance with ARSD 20:10:27:12, the switched access rates are the average of all cost companies (for the year ended December 31, 2003) in South Dakota, excluding Qwest Corporation.

Staff Analyst: Harlan Best
Staff Attorney: Karen E. Cremer/Sara Harens
Date Filed: 09/21/04
Intervention Deadline: 10/08/04

TC04-204 In the Matter of the Filing by Hills Telephone Company, Inc. for Designation as an Eligible Telecommunications Carrier.

On September 21, 2004, Hills Telephone Company, Inc. (Hills) submitted a Petition for Designation as an Eligible Telecommunications Carrier (ETC) pursuant to Section 241(e)(2) of the Telecommunications Act of 1934, as amended (Act), 47 U.S.C. Section 214(e)(2), and Section 54.201 of the Federal Communications Commission (FCC) rules, 47 C.F.R. Section 54.201. Hills requests that it be designated as eligible to receive all available support from the federal Universal Service Fund (USF) including, but not limited to, support for rural, insular and high-cost areas and low-income customers. Section 214(e)(1) of the Act and Section 54.201(d)

of the FCC's rules provide that carriers designated as ETCs shall, throughout their service area, (1) offer the services that are supported by federal universal service support mechanisms either using their own facilities or a combination of their own facilities and resale of another carrier's services, and (2) advertise the availability of such services and the charges therefor using media of general distribution. Hills is a full-service wireline communications carrier which will offer all of these services as soon as the sale of the Valley Springs Exchange closes by utilizing the existing facilities and infrastructure currently utilized by Sioux Valley Telephone Company. Hills requests that the Public Utilities Commission: (1) enter an Order designating Hills as an ETC for its requested ETC service area; and (2) certify to the FCC that Hills will use the federal USF support for its intended purposes.

Staff Analyst: Harlan Best

Staff Attorney: Karen E. Cremer

Date Filed: 09/21/04

Intervention Deadline: 10/08/04

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

IN THE MATTER OF THE FILING FOR) APPROVAL OF AN AMENDMENT TO AN) INTERCONNECTION AGREEMENT BETWEEN) QWEST CORPORATION AND SANCOM, INC.) D/B/A MITCHELL TELECOM)	ORDER APPROVING AMENDMENT TO AGREEMENT TC04-202
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On September 20, 2004, Qwest Corporation (Qwest) filed for approval by the South Dakota Public Utilities Commission (Commission) an amendment to an interconnection agreement between Sancom, Inc. d/b/a Mitchell Telecom (Sancom) and Qwest. The agreement is amended by changing or adding terms, conditions and rates for certain network elements, as set forth in Attachment 1 and Exhibit A to the amendment.

On September 23, 2004, the Commission electronically transmitted notice of the filing of the amendment to interested individuals and entities. The notice stated that any person wishing to comment on the parties' request for approval had until October 12, 2004, to do so. No comments were filed.

At its duly noticed October 26, 2004, meeting, the Commission considered whether to approve the negotiated amendment to the agreement between Qwest and Sancom. Commission Staff recommended its approval.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-31, and the Federal Telecommunications Act of 1996. In accordance with 47 U.S.C. § 252(e)(2), the Commission found that the amendment does not discriminate against a telecommunications carrier that is not a party to the amendment and the amendment is consistent with the public interest, convenience, and necessity. The Commission unanimously voted to approve the amendment to the agreement. It is therefore

ORDERED, that the Commission approves the negotiated amendment to the agreement as described herein.

Dated at Pierre, South Dakota, this 4th day of November, 2004.

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 Kolbs</i></u>
Date: <u>11/4/04</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman

Gary Hanson
GARY HANSON, Commissioner

James A. Burg
JAMES A. BURG, Commissioner