May 20, 2005

REFERE

MAY 3 1 2005

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

Pam Bonrud, Executive Director Public Utilities Commission Capitol Bldg, 1st Floor 500 E Capitol Ave Pierre SD 57501-5070

Dear Ms. Bonrud:

We are writing in regards to providing documentation on our Lifeline/Linkup advertising and implementation.

We advertise the availability of the Lifeline/Linkup program at least once a year in our monthly newsletter. I have enclosed a copy of our January newsletter with the article noted. We also place an article in our local newspapers at least once a year, explaining the program. When a customer applies for telephone service, one of the questions on our application is whether they believe they are eligible for the program. I have enclosed a copy of our application form. If the customer believes they are eligible for Lifeline/Linkup, we have them complete the enclosed Lifeline/Link-up Assistance Application (yellow sheet).

To meet the new certification procedures, in the last few months we have been asking our customers for verification of the enrollment in one of the programs that qualifies them as eligible for the Lifeline/link-up program, when they sign up for the program. We are in the process of verifying the eligibility of all Lifeline customers by asking them to provide the appropriate documentation. The letter to the customers asks them to sign a recertification form stating that they are eligible for the Lifeline program, and also asks them to provide documentation that verifies their enrollment in the qualifying program.

Please let me know if you have further questions concerning our Lifeline/Link-up advertising and implementation procedures.

Sincerely,

Paula Linke Office Manager

Encls

Wanted List For Capital Credit Pay-out

Following is a partial list of past members who have an unclaimed capital credit check in our office. If you know where we might find any of these people, please call our office at 811 or 796-4411 or email us at info@santel.net.

Allen, ME Champagne, FE Allstate Paving Inc Chris's Corner Anderson, Marian Christian, Doug Apland-Eickholt, Sarah Collins, John W Colon, Joe C Asetoyer, David Crippin, Richard-Jenna Benjamin, Don Dakota Game Birds, Inc. Bland, Ken Brady, Dorothy DeGraaff, Doug-Judy Dew Buzz Inn Bruns, David Dickey, Kimberly Captions Inc

Ditzler Advertising Dougherty, Mike-Judy Dykes, Doug Wilson, CJ Wilson, Wanda Winemiller, Glen Wittstruck, Milo Wurtz, Jacob-Susan Young, Lori Zoss, Jon-Nellie

Are You Eligible for a Phone Discount?

The SD PUC created a program called Lifeline that can reduce your monthly rate for telephone service. To be eligible, telephone service must be in the applicant's name, and the applicant must participate in one of the following programs: Medicaid, Food Stamps, Supplemental Security Income (SSI), Federal Public Housing Assistance, or the Low-Income Home Energy Assistance Program. If you qualify, you will receive a monthly reduction of \$8.25 on your monthly telephone bill. To apply for the credit, please contact our office for an enrollment form. If you are currently enrolled in the program, and have become ineligible, you need to contact our office. Receiving program benefits when you are no longer eligible is illegal.

Employees & Directors Recognized for Their Years of Santel Service

At the annual Christmas party, Santel Communications recognized employees and members of the board of directors for their years of service. Pictured below are employees and directors honored.



DIRECTORY ADDITIONS

ARTESIAN

Bustamante, Omar 527-2276 Flores, Virgil 527-2270 Swanson, Terry 527-2432

LETCHER

248-2447
Kisor, Eddie-Emily 248-2615
Totton, Tammy 248-2580
Young, Ben 248-2207

Fridley, Jim-Litterick, Angie

MT. VERNON

Boyer, Arlene 236-5456

PARKSTON

McIntosh, Shayne 928-7129

TRIPP

Mora, Mark-Pam 935-6205

WOLSEY

Binneboese, Derek 883-4342 Cain Creek Outfitters 883-4747 McGillvrey, Karma 883-4551

WOONSOCKET

City of Woonsocket Shop 796-4275 City of Woonsocket Fax 796-4276 Peterson, Troy-Carol 796-4172

Reaching Out to You

The New Year is always a time of meetings and radio shows.

The Wolsey TV sign-up meeting will be January 12 at the Legion Hall from 3:00 to 7:00.

The first radio show is the Dakota News Winter Expo 2005 in Pierre, January 15 -16. Visit us at the Ramkota Convention Centre.

February 13 we will be at the Davison County 4-H Center for the KORN Home Show.

We'll be back in Pierre at the Ramkota February 26-27 for the KCCR Home Show.

Employees and Directors receiving Santel Communications service awards are pictured from left: Richard Alt, Director, 10 yrs; Kim Hiemstra, Billing Clerk, 5 yrs; Kent Swenson, Director, 20 yrs; Kregg Krueger, Dispatcher, 15 yrs; Gene Kroell, General Manager, 30 yrs; Mike Johnson, Plant Manager. 30 vrs.



THEPRIVATEUNE

Volume 11, Issue 1

January 2005



53rd Annual Meeting Planning

In preparation for the Annual Meeting and Director elections, a nominating committee has been selected, and will meet in January to begin the process for nomination of candidates to run for election. Exchanges who will hold election are as follows: Alpena, Ethan, Wolsey and an At-Large position.

Chosen for the nominating committee for 2005 were Diane Peterson, Alpena exchange; Dorothy Weinberger, Artesian-Fedora exchange; Luvern Neugebauer, Ethan exchange; Delbert Pearson, Forestburg exchange; Clyde Olsen, Letcher exchange; Eugene Fristad, Mount Vernon exchange; Pat McCann, Parkston exchange; Tony Dewald, Tripp exchange; Charles Teply, Wolsey exchange; and Jerry Klaas, Woonsocket exchange.

Section 19(b) of the bylaws provides for a second way to be nominated to the board. It states that "A candidate from an exchange may be nominated by a petition signed by 15 members residing in the same exchange area and filed with the Secretary of the Board not less than 20 days before the meeting."

If you are interested in running for the Board of Directors, please contact one of the nominating committee members or our office for information on filing a petition.

The annual meeting will be held during the last week of April.

Capital Credit Checks 2 Are Capital Credit Checks Taxable? 2 Tripp Video 2 Lifeline Eligibility 3 Service Awards Given 3 RFD TV 4 Scholarships Offered 4 Directory Listings 4

In this issue:

Billing Notice to Our Members

Effective January 1, 2005, the amount of the Federal Universal Service Charge (FUSC) appearing on your bill each month will increase as a result of an increase in the Federal Communication Commission's (FCC's) universal service fund contribution factor from 8.9% to 10.7%. The new FUSC amount is calculated by multiplying the FCC's universal service contribution factor against your interstate access service If you have residential service charges. or a single line business and are charged a \$6.50 Federal Access Charge, your FUSC amount will increase from \$.58 to \$.70. If you are a multi-line business and are charged a \$9.20 Federal Access Charge, your FUSC charge will increase from \$.82 to \$.98 per line. The federal universal service fund program is designed to help keep local telephone service rates affordable for all customers, in all areas of the United States.



VOICE: 605-796-4411 FAX: 605-796-4419

For Phone Repairs, call 611
For Billing & other questions, call 811
PO Box 67 Woonsocket SD 57385-0067
www.santel.net ** Email: info@santel.net

Office Hours: 8 am-5 pm ** M-F

Goop Corner

Cooperatives are member-owned organizations. Members contribute equally to, and democratically control, the capital of the cooperative. Mem-

bers are then allocated capital credits in proportion to the amount of business they do with the cooperative.

Santel Communications Board of Directors approved a capital credit retirement for December 2004. The total of the payout was more than \$237,000. This included a combination of 100% of 1994, 25% of 1992, and 5% of 2003.

Capital credit checks to members were mailed December 7, 2004.

Capital credits paid to members must meet rigid standards. The requirements are set by the Rural Utilities Service, the IRS, applicable state law, the by-laws of the cooperative, and the annual financial audit. Santel Communications capital credit assignment and retirement practices meet all necessary requirements.

As a member/owner of Santel Communications Cooperative, you are investing in the capital of the cooperative each time you use a service provided by Santel. This use ultimately affects your future capital credit return.

Tripp City Video Ready

Santel's buried cable upgrade in the Tripp exchange is finished. Tripp city phone lines will now provide the three services of phone, high-speed internet, and cable TV.

On November 29th, Santel hosted an informational meeting in Tripp for residents to learn about and sign-up for Santel Video.

Installation of the cable TV began the week of December 13 and continues through the first week of January. Teams of installers were responsible for the mass install; but the Santel installer/repairmen have taken over and all installations from this point on will be done by them.

A 20" colored, flat-screen TV will be given to one lucky subscriber of the new video service in Tripp.

Right, above: Morrey Overby, Santel's video technician, explains how video service is delivered to three interested Cooperative members.

Right: Gloria Moody, Santel Billing Clerk, discusses the sign-up options while these ladies take time to listen and

Are Capital Credits Taxable?

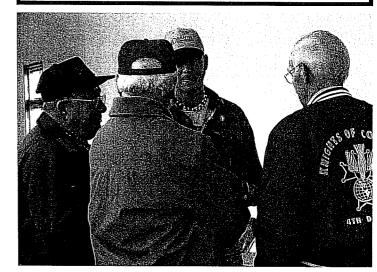
"Are Capital Credits Taxable?" is a frequently asked question at tax time. The capital credits themselves are not; however, if you've received a refund check, the refund itself may be taxable.

The subscriber who used the telephone strictly for non-business purposes will in no way have the refund enter into his/her federal income tax calculation. In this case, the refund merely reduced the cost of the service purchased for personal use and is not taxable income.

If a subscriber deducts all or a portion of his telephone bill as a business expense, receiving a Capital Credit refund check will affect the Federal Tax Liability. In this case, the check received needs to be reported as income in the year it was received, but only in the same proportion that payments for service had previously been deducted as a business expense.

If you're still unsure of whether your capital credits are taxable, we recommend contacting a tax professional.

In the spirit of Christmas giving, the Santel Employees donated money to the food pantries of the 10 counties in the Santel Service Area.





Tank-Vol our Ioyal subscribers

Santel Communications hosted Customer Appreciation Day in the Parkston American Legion Hall November 22. This event honored all subscribers of the cooperative. Attending were 286 members and 530 meals were served. Registering members received a \$3.00 credit on their next phone bill, a pen, and a meal.

Top right: Santel Board Member and Parkston resident Darren Bigge poured coffee and pop to attending Santel members.

Middle: Paula Linke, Santel Office Manager, spent time explaining long distance carriers and calling plans.

Below Right: Barb White, billing clerk for the Parkston, Tripp, and Wolsey exchanges, registers a Santel Communications member.









Santel Board of Directors

	,
Richard Alt (Vice President)	Forestburg
Tommy Baruth	Alpena
Darren Bigge	Parkston
Ruth Brodkorb	Wolsey
LeRoy Dodd	Mount Vernon
Gerald Koch	Ethan
Jeffrey Kramer	Tripp
Pam Moore (Treasurer)	Artesian/Fedora
Lindy Peterson (Secretary)	Woonsocket
Lawrence Ruml	Letcher
Ray Scherschligt	Alpena
Kent Swenson (President)	Woonsocket
Jeff Larson, Corporate Counsel	Woonsocket

Santel Employees

Mike Johnson	General Manager Plant Manager Office Manager Office Manager Ologies Manager of Sales & Service Network/Data Supervisor Construction Receptionist/Cashier Installer/Repairman Telephone Technician Senior Wireless Technician Internet Technician Accountant Billing Clerk Installer/Repairman Installer/Repairman Installer/Repairman Construction Dispatcher Public Affairs/Member Services Rep Custodian Central Office Technician Billing Clerk Internet Technician Service Order Coordinator Construction
Don Schmidt	Service Order Coordinator
Jason Thomas	Telephone Technician Billing Clerk

Scholarships Offered to high school seniors

Remind your high school senior to apply for the Santel Communications Ray Judy Memorial Scholarship.

Scholarship applicants must be a senior, the parent or guardian mus currently have telephone service from Santel Communications, and he/she must attend a college or vocationa school in South Dakota within 6 months of graduation.

Scholarship applications available from our office, your school or online at: http://www.santel.net ~January/scholarship.html. deadline to apply is March 31, 2005.

Don't miss this opportunity!

Santel Video Channel 113

Rural America's Most Important Network

rural news horses ranching agriculture livestock auctions farming rural events music rural traditions

Call 811 today to subscribe

308 S DUMONT AVE, PO BOX 308, WOONSOCKET SD 57385-0067

APPLICATION FOR TELEPHONE SERVICE

OUT OF AREA:

1-888-978-7777

FROM OUR EXCHANGES:

DIAL 811 FOR NEW SERVICE

PHONE: 1-605-796-4411 FAX: 1-605-796-4419 OFFICE HOURS: 8am-5pm www.santel.net info@santel.n

CUSTOMER INFORMATION	
Application Date	Phone number assigned
Name of Applicant	
Social Security Number	
Mailing Address	
	School District
Applicant's employer	Contact Number
Name of person sharing billing responsibilities	
Social Security Number	
Employer	Contact Number
PREVIOUS SERVICE INFORMATION	
Telephone Company	Telephone Number
City and State	Disconnect Date
DIRECTORY INFORMATION	
Would you like your telephone number pub	lished, non-published, or unlisted?
	nmber, which at the request of the customer, is not listed and is not made available to the general public by
the Cooperative. An unlisted telephone number is a telephone number, public by Directory Assistance or by the Cooperative upon reque	, which at the request of the customer, is not listed in the telephone directory but is made available to the est.
Do you wish to have Suppress, also known a	s Caller ID per line blocking? YESNO
	at no charge to any customer who wishes to prevent delivery of his/her calling party number on all calls.
Listed Name or Names	
Listed Address	
Additional Listings	
(The monthly fee for each additional listing is \$.75/	month.)
Yellow Pages Heading for Business Customers (No extra charge for listing. Advertising is addition	s onlyal and sold by the directory company.)

Local Service, Options, and Charges

Local Access: The lo \$14.50/month for res	ocal access charge will idences and local se	ill be broken into to rvice access of \$2.0	wo rates: local 00/month: Pleas	facility acco se choose or	ess of \$25.00/mo e of the followi	onth for busines	Ses or
Bu This rate code is for	customers who use (\$27 00/month for 8 heir telephone for th \$16.50/month	883, 928, 935 e he sole purpose	xchanges ≥of operatin	g a business.		
This rate code is for Local Call-Plan Op	customers who use	heir telephone for n					
charged for your ow, Alpena (849	n exchange. All are	1.00/month except	Parkston and I	loward, wh	mg moniniy ena ich are \$1.50 ead	irge (You will i h.	iot bë
Artesian/Fec Ethan (227) Forestburg (lora (527)		Tripp (93) Wolsey (8 Woonsoc Howard (883) ket (796)			
Letcher (248 Mt-Vernon (Parkston (92	236)			Available to	Artesian/Fedora	customers only	
Calling Features: N		50 discount on any	y 3 features; \$	1400 on any	6 features, etc.		
Teen Line \$3/month Telemarketer Call So Call Warting on Call	reening \$2/month		V	Varm Line S Voice Mail S peed Call 30	Charles Control of the Control of th		
The following featu	res are \$1/month e						
Call Forwarding Call forward Busy Call forward don t a Call forward remote		Call Waiting Cancel Call Waiting Allow Selective Ca Block Toll Calling	ling	Distin Selec	Number Delivery Ichixe Ringing Live Call Accept	ance	
Conference, 3-way (Speed Call 8 Super Speed Calling	Calling	Foll Deny Automatic Call bac Automatic Recall*	k *66	Selec	tive Call Forwar tive Call Rejecti I Selective Calli (Requires BI)	on ng	
Caller originated to				ll customers			
WIRE MAINTENA includes the station v equipment (phones.	wire leading into the	house and the wirin	ig to the jacks.	If a phone p	roblem is determ	uned to be your	
charge: Do you wish to hay							
jacks for \$1.50/mor Will you allow San			No ation on this		O contact your	hour new serv	
offerings as they be Recurring monthly	come available to o	ur customers?	Ϋ́I	ES .	NO		
Federal Access Char E911-80-75 (Dayiso	ge Single Line Resi		650 Fed	leral Access	Charge Multi-la on Impaired Fun	ie Business \$9	20
Federal Universal Se Taxes	ervice Charge, Single	line=\$0.58 \		ederal Unive axes	tsaltService Cha	rge, Multi-Line	\$.82

Please choose one of the following companies to carry your intrastate (in-state) long distance calls and one to carry your interstate (out-of-state) long distance calls:

IN OUT		To check lon	g distance rates call toll free:
IN OUT 1. SANTEL LONG D	ISTANCE865	811 (toll free) (bi	lled by Santel Communications)
S	ANTEL LONG DISTANC	E OPTIONAL CA	LL PLANS
No plan charge * \$.08/1		The 8 'n 12 Plan min in-state * 50 sta	ites * Puerto Rico* Virgin Islands
\$3.95/mo	Rinth plan charge * \$.11/min in	ight on the Money n and out-of-state * 0	Continental US only
•	No plan charge * \$.14/min	_ The Real Deal in and out-of-state *	50 states
	No plan charge * \$.15/min	_Straight Talk in and out-of-state *	48 states
No 1	Your l monthly charge * Call-home	Personal 800 Numb only * Rates mirror	
2. AT&T THE RIG	HT CHOICE288	1-800-222-0300	(Residential billed by Santel)
3. SPRINT	333		(Residence-direct bill by Sprint) (Business-direct bill by Sprint)
4. ALLNET	444	1-800-783-2020	(direct bill by Allnet)
5. EXCEL	752	1-800-875-9235	(direct bill by Excel)
6. MCI TELECOM	MUNICATIONS 222	1-800-444-3333	(direct bill by MCI)
7. LDDS/TMC LON	IG DISTANCE 007	1-800-777-3884	(direct bill by LDDS)
8. FRONTIER	211	1-800-836-8080	(direct bill by Frontier)
9. LDDS/METROM	IEDIA450	1-800-275-0100	(direct bill by Metromedia)
10. MATRIX	780	1-800-282-0242	(direct bill by MATRIX)
11. SBC LONG DIST	TANCE5792	1-877-366-3200	(direct bill by SBC)
A PIC freeze is available, frout your authorization. You	0, 1	•	e carrier from being changed with request.
Would you like a PIC freeze	on the long distance carrie	rs you have chosen	? YES NO
Additional Long Distance C	ptions:		
I am interested in an Express This is a Santel Long Distance			
I would like to have a person	al 800 number:	YES	NO
I will accept the charges for:	1-900 Calls:	YES	NO
-	3rd # billed calls:	YES	NO
	Collect Calls:	YES	NO

Would you like to make monthly payr	nents with automatic bank deduc	
Y□SNO Your telephone payment will be autor	natically deducted from your chec	King account or charged to your acadit assa
	ust be completed with the correct ac	Count information.
Santel Communications also offers on-li You may also subscribe to on-line paym	ne billing. If you have internet servi ent from your e-bill site	ce, e-bill is available for your convenience.
Through a program instituted by the monthly rates for local telephonesery	SDPUC called LEFELINE AND A	ENKUP/ASSISTANCE, a reduction in y. To be eligible for this ETFECTNE OR
EINK-UR ASSISTANCE, the applica STAMPS: SUPPLEMENTAL SECUI	ntmust participate in one of the f RTY INCOME (SSD: FEDERAL	blowing programs: MEDICAID FOOD RUBLIC HOUSING ASSISTANCE OR
THE LOW INCOME HOME ENERGE ARE YOU ELIGIBLE?	5Y-ASSISTANCE PROGRAM <u>(I</u> YES NO	
**An additional form must b ETHNIC CODE	e completed to qualify for this assis	
0: UNKNOWN 1- CAUCASIAN	4- AFRO 5- ORIE	O AMERICAN INTAL
2 NATIVE AMERICAN 3 HISPANIC	。 [1] [1] [1] [2] [2] [3] [4] [4] [4] [4] [4] [4] [4] [4] [4] [4	ŽNESIAN .
The Man Day 1 of the Control of the	FOR OFFICE USE ONLY	
PRIMARY LOCATION CABLE PAIR/ROUTE	Mangael (1995) Tilban (1995) and 1995 Mangael (1995) Mangael (1995) And 1995 Mangael (1995) Mangael (1995) Ma	EE/PE
NON-RECURRING CHARGES:	911 ADDRESS	
SERVICE CHARGE	10:00	<u>DEPOSIT REQUIRED;</u> YES: NO
CENTRAL OFFICE CHARGE	10.00 10.00 10.00	AMOUNT
OUTSIDE PLANT	20:00	
PREMISE VISIT		ECSC
WIRING JACK-DESK OR WALL 3.00:	7.00	NEWSLETTER
		911 ELUMINET
		enam
SUPPRESSMTE	N 1+800 ACCESS	REMOVE !ALL
Revised January 15; 2003:		DATE EFFECTIVE

ADDITIONAL SERVICES

DO YOU LIVE IN AN AREA OFFERING SANTEL VIDEO?

VIDEO IS AVAILABLE WITHIN THE CITY LIMITS OF: ALPENA, ARTESIAN, DIMOCK, ETHAN, LETCHER, MT. VERNON, PARKSTON, AND WOONSOCKET.

SANII	۷ سلا	ш	L	U

SANTEL VIDEO Also available through your phone line is Santel Video Digital Cable TV. The Enhanced view offers 82 channels of TV and 45 channels of digital music at \$39.95/month. The Select View offers you 60 channels at \$29.95/month. High-speed Jetnet is packaged with Santel Video for \$29.95. I am interested in Santel Video: ______ yes _____ no Enhanced View: ______ \$39.95 Select View: ______\$29.95 Jetnet with video ______\$29.95 Wire Maintenance covering both telephone and video is \$2.00/month. Wire Maintenance for both phone and TV ______yes _____no Ask for an application or more information on Santel Video Digital Cable TV. INTERNET SANTEL COMMUNICATIONS IS YOUR FULL-SERVICE INTERNET PROVIDER. High-Speed access includes Jetnet and Wireless Service. Jetnet comes to your computer through your phone line. It is priced at \$35.95 plus a modem lease of \$10/month or a modem purchase. Prices vary for increased bandwith. Wireless is received via an antenna placed on the building where the service will be used. The prices and bandwiths vary from \$39.95 to \$99.95. **Dial-up access** is available to Santel long distance customers at \$14.95 for 50 hours/month. The other package is: \$19.95/month for unlimited hours I am interested in Santel Internet ______ yes _____ no High Speed Jetnet _____ High Speed Wireless _____ Dial-up Internet _____

Ask for an application or more information on any of our 3 types of internet service

Applicant has been told about the dial-up accelerator _____ yes ____ no

Please provide proof of your eligibility by providing a copy of a document verifying you participate in any of the programs mentioned on the enclosed form. You will also need to complete the enclosed application form certifying your eligibility. Benefits will continue until you no longer meet eligibility requirements or when proof of eligibility is not received.

SANTEL COMMUNICATIONS COOPERATIVE LIFELINE AND LINK-UP ASSISTANCE APPLICATION

(Please print)

Name		
(Last)	(First)	(Middle)
Address		
(Street)	(City)	(State) (Zip)
Telephone Number (if existing	; service): ()	
Number where you can be reac	ched or receive messag	ges: () Area code & 7-digit number
Please answer the following qu	uestions (check approp	priate lines):
-		none service discount (\$8.25/month) nnection charge discount (50% discount)
2. I am currently participating	in the following prog	ram(s): Check all that apply
Food Stamps Supplemental Security Federal Public F	ecurity Income (SSI)	e Supplemental Assistance
of the above qualifying public I certify under penalty of pe	ic assistance progran rjury the above infor ion and understand I	mation is true. I have read the must meet the above qualifications to
Your Signature		l Security Number Date