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SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

August 1, 2006

Patty VanGerpen, Executive Director
SD Public Utilities Commission
500 East Capitol Avenue
Pierre SD 57501-5070

Dear Ms VanGerpen:

I am submitting this letter as an attachment with supplemental information for Santel's Annual ETC Certification.

I have attached a revised Exhibit A, which includes Estimated Federal Universal Service receipts for 2007 for Santel.

In addition, I submit the following information. As is required by the provisions of ARSD § 20:10:32:43.04, Santel is committed to satisfying applicable consumer protection and service quality standards. Quality of service and customer complaints are taken very seriously. Customer service representatives attempt to resolve any complaints at their level but are not hesitant to escalate the complaint to management level if required. Every attempt is made to please the customer/member. Santel provides telecommunication services with a state of the art switch, upgraded cable and fiber in all exchanges, along with digital loop carrier (DLC) cabinets that give any of Santel's customers access to broadband services. The reliability of the network is protected with battery backup and generators.

Under 20:10:33:31 and notwithstanding subdivision 20:10:10:04(4), no local exchange company may terminate local exchange service to any customer on the ground that the customer has not paid for services other than local exchange services. Santel only disconnects dial tone for non payment of regulated services.

Under 20:10:34:09, billing requirements, it states that a subscriber's bill shall contain a clear, concise description of services being billed. The bill shall contain the name of the telecommunications company requesting billing, and a toll-free telephone number where the subscriber may call with billing questions. Santel complies with all these requirements on their billing statements.

Under 20:10:34:10, notification of increase in rates, it states that prior to changing any rate, term, or condition of service, a telecommunications company shall notify the subscriber of the change if it may result in an increase in rates. Written notification of an increase in rates shall be stated on the bill, a bill insert, or a separate letter for each customer who has pre-subscribed to the company for toll or local exchange service. If the customer has not pre-subscribed to the company, notification of an increase in rates shall be made through newspaper publication or by any other reasonable means. When an increase in rates is planned, Santel notifies the customer through the billing statement, a monthly newsletter, and separate letter to the customer.

Respectfully submitted,


Jeff Larson, Attorney

Exhibit A

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EXHIBIT A
 Santel Communications Cooperative

Federal Universal Service Receipts:	Actual 2005	Estimated 2007
High Cost Loop Support	\$ 1,396,392	\$ 2,061,000
Local Switching Support	\$ 424,224	\$ 360,000
Safety Net Additive support	\$ 69,948	\$ 70,000
Safety Valve Loop Cost Adjustment	\$ 0	\$ 0
TOTAL	\$ 1,890,564	\$ 2,491,000

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

	Actual 2005	Estimated 2007
Plant Specific Operations Expenses		
Network support (Accts 6110-16)	\$ 4,105	\$ 6,000
General support (Accts 6120-24)	\$ 239,258	\$ 270,000
Central office (Accts 6210-6232)	\$ 568,991	\$ 535,000
Cable and wire facilities (Accts 6410-41)	\$ 199,501	\$ 210,000
Network operations (Accts 6530-35)	\$ 243,798	\$ 250,000
Depreciation and amortization (Accts 6560-65)	\$3,097,829	\$3,350,000
Customer Operations Expenses		
Customer services (Accts 6620-23)	\$ 559,228	\$ 565,000
Corporate Operations Expenses		
Executive and planning (Accts 6710-12)	\$ 208,298	\$ 260,000
General and administrative (Accts 6720-28)	\$ 491,821	\$ 510,000
Total Years Supported Expenses, Before Return on Investment	\$5,612,829	\$5,956,000
Additions		
Switching (Acct 2210)	\$ 178,472	(See Exhibit B, Two-Year Plan)
Cable and wire (Acct 2410)	\$1,732,949	
Total	\$1,911,421	
Total Supported Expenditures, Before Return on Investment	\$7,524,250	