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Patricia Van Gerpen
Executive Director
Public Utilities Commission
500 East Capitol Avenue
Pierre, South Dakota 57501

RE: **MIDCONTINENT COMMUNICATIONS; IN THE MATTER OF THE
APPLICATION OF MIDCONTINENT COMMUNICATIONS TO PROVIDE LOCAL
EXCHANGE SERVICE IN THE GAYVILLE RURAL SERVICE AREA AND FOR
AN AMENDED CERTIFICATE OF AUTHORITY**
Our file: 0053

Dear Patty:

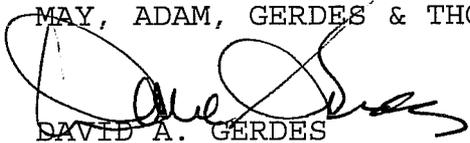
Attached for filing are:

- an original Application for Amended Certificate of Authority with exhibits;
- one confidential Exhibit C to the Application
- an original Application for Waiver; and
- an original Notice of Application to Provide Local Exchange Service and Request for Interconnection.

With a copy of this letter service by mail is made upon William Heaston, attorney for PrairieWave Community Telephone.

Yours truly,

MAY, ADAM, GERDES & THOMPSON LLP



DAVID A. GERDES

DAG:mw

Enclosures

cc/enc: William Heaston
Mary Lohnes
Nancy Vogel

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

IN THE MATTER OF THE APPLICATION) TC07-_____
OF MIDCONTINENT COMMUNICATIONS)
TO PROVIDE LOCAL EXCHANGE SERVICE) **APPLICATION FOR**
IN THE GAYVILLE RURAL SERVICE AREA) **AMENDED CERTIFICATE**
AND FOR AN AMENDED CERTIFICATE OF) **OF AUTHORITY**
AUTHORITY)

I. INTRODUCTION

Midcontinent Communications files this petition to amend its certificate of authority to provide local exchange service in the rural exchange area of Gayville, South Dakota pursuant to ARSD 20:10:32:03, 20:10:32:15 and 20:10:32:18.

Among other things, this application is a competitive response to the provision of video programming in the geographical area by the incumbent carrier, PrairieWave Community Telephone, Inc. ("PrairieWave"), Sioux Falls, South Dakota, 57108. Section 47 U.S.C. § 251(f)(1)(C) is applicable to the application. As such, the exemption provided by 47 U.S.C. § 251(f)(1)(A) does not apply to PRAIRIEWAVE.

APPLICATION FOR AMENDED CERTIFICATE OF AUTHORITY

1. The Applicant's name and address, telephone number, facsimile number, e-mail address and whether the applicant is a sole proprietorship, partnership, corporation, limited liability corporation or a limited liability partnership (ARSD 20:10:32:03(1)):

Midcontinent Communications
5001 West 41st Street
Sioux Falls, SD 57106
Phone: 800-888-1300
Fax: (605)339-4419
e-mail: midcocomm.midco.net

Midcontinent Communications is a South Dakota General Partnership

2. If a partnership, the full name and business address of each partner (ARSD 20:10:32:03(2)):

Midcontinent Communications Investor, LLC
3600 Minnesota Drive, Suite 700
Edina, MN 55435

TCI Midcontinent, LLC
1500 Market Street
Philadelphia, PA 19102

Ownership is in equal shares (50-50).

3. The name under which the applicant will provide telecommunications services in the state of South Dakota, including local exchange services (ARSD 20:10:32:03(3)):

Midcontinent Communications

4. A description of the applicant's experience providing any telecommunications services in South Dakota or in other jurisdictions, including the types of services provided, and the dates and nature of state or federal authorization to provide the services (ARSD 20:10:32:03(5)):

The present Midcontinent Communications was originally certificated as MidcoTel in 1982 as a provider of interexchange service in South Dakota. MidcoTel became Midco Communications, and Midco Communications filed for and received a certificate to provide resold local exchange service in South Dakota in 1997 and a facilities based certificate in 1999.

Midcontinent Media was the parent company of Midco Communications. Another division of Midcontinent Media was Sioux Falls Cable. Sioux Falls Cable filed for and received a certificate as a local exchange carrier in 1999.

In 2000, Sioux Falls Cable and Midco Communications merged to Midcontinent Communications and a new certificate was granted September 2000.

Midcontinent Communications is also certificated in North Dakota for local and long distance services. The company received a certificate for resold services in 1998 and facilities in 1999.

In 2002, Midcontinent Communications applied for and received a certificate of authority in Minnesota for resold local service. Midcontinent is also certificated for long distance service in Minnesota.

5. Names and addresses of applicant's affiliates, subsidiaries and parent organizations, if any (ARSD 20:10:32:03(6)):

The parent companies of Midcontinent Communications are noted in 2 above. The parent organizations are indirect wholly-owned subsidiaries of Comcast and Midcontinent Media, Inc., respectively. In addition to Midcontinent Communications, other Midcontinent Media subsidiaries include:

Midcontinent Corporation
Midco Call Center Services, Inc.
Midcontinent Media Foundation

6. A list and specific description of the types of services the applicant seeks to offer and the means by which the services will be provided including (ARSD 20:10:32:03(7)):

- (a) Information indicating the classes of customers the applicant intends to serve;
- (b) Information indicating the extent to and time-frame by which applicant will provide service through the use of its own network facilities, the purchase of unbundled network elements, or resale;
- (c) A description of all facilities that the applicant will utilize to furnish the proposed local exchange services, including and facilities of underlying carriers; and

(d) Information identifying the types of services it seeks authority to provide by reference to the general nature of the service.

Midcontinent Communications is currently certificated to provide local exchange and long distance services throughout the state of South Dakota in the Qwest service areas, the ITC exchanges of Webster and Waubay, and Santel's exchange in Wolsey. In the Gayville exchange Midcontinent will use a hybrid fiber coax (HFC) network of its cable plant to provide primary transport for residential telephone services. In addition to providing local exchange services for commercial and residential customers, Midcontinent also provides intrastate interexchange services for commercial and residential customers and interstate interexchange services for commercial and residential customers, which will be available in Gayville.

By this application, Midcontinent seeks to provide local exchange service in the Gayville exchange of PrairieWave. As indicated above this is a competitive filing. PrairieWave is offering cable services in the Gayville exchange.

Midcontinent purchased the cable TV services in Gayville from Golden West Telecommunications Cooperative in February 2007. Midcontinent first provisioned service from its own facilities in the Qwest exchanges in 2000, and in 2006 Midcontinent began provisioning services using Internet Protocol.

ARSD 20:10:32:15 requires Midcontinent, by seeking authority to provide local exchange service in the service area of a rural telephone company, to satisfy the service requirements imposed on eligible telecommunications carriers pursuant to 47 U.S.C. § 214(e)(1) and applicable federal regulations. That section further permits application for a waiver under ARSD 20:10:21:18.

Midcontinent is able to satisfy the local exchange service obligations provided in ARSD 20:10:32:10, as well as those

provided in 47 U.S.C. § 214(e)(1). However, to the extent that service of less than the entire study area of PrairieWave requires a waiver, Midcontinent requests such a waiver under ARSD 20:10:21:18. At the present time, Midcontinent applies only to provide local exchange services in the Gayville exchange.

Midcontinent satisfies the ETC requirements as follows:

(1) Voice grade access to the public switched telephone network

Midcontinent Communications currently provides resold and unbundled services of Qwest Communications in the ILEC's exchange areas, and through its own facilities in various SD exchanges. The intent is to provision services in Gayville through Midcontinent's facilities switched from Midcontinent's Sioux Falls switch which is a Nortel CS2K switch that acts as the host switch for our Digital Phone service; it is a class 4/5 switch. It is capable of providing local dial tone as well as standard calling features such as call forwarding, call waiting, caller identification, three-way calling, speed calling, and call transfer.

(2) Local usage meaning a prescribed amount of minutes of use of exchange service provided free of charge to end users

Midcontinent Communications charges a flat monthly service fee for local service with no limit to the number of calls made or received, or minutes of usage.

(3) Dual tone multi-frequency signaling or its functional equivalent

Midcontinent will provide DTMF signaling for all customers in the Gayville exchange.

(4) Single-party service or its functional equivalent

Midcontinent Communications provides only single-party service in all areas served.

(5) Access to emergency services

Midcontinent Communications intends to have agreements and connectivity to all appropriate Public Safety Answering Points

(6) Access to operator services

Midcontinent Communications provides operator services to all customers through National Directory Assistance (NDA). This agreement provides all Midcontinent customers access to 0- and 0+ services.

(7) Access to interexchange service

Midcontinent Communications has provided interexchange service in South Dakota since 1982. Long distance and toll free services are resold through a carrier(s) where a negotiated agreement has been reached so a fair and reasonable rate may be given to the end user.

Equal access will also be provided to other long distance carriers.

(8) Access to directory assistance

Midcontinent Communications has an agreement with National Directory Assistance (NDA) for directory assistance.

(9) Toll limitation for qualifying low-income consumers

Midcontinent Communications participates in the Telephone Assistance Program. The ability to request toll restriction is available.

7. A service area map and narrative description indicating with particularity the geographic area proposed to be served by the applicant (ARSD 20:10:32:03(8)):

In addition to Midcontinent's current certificated territory, attached as Exhibit A is a map of the Gayville exchange, which Midcontinent proposes to serve. Additionally, attached as Exhibit B is a Midcontinent facilities map, showing Midcontinent's facilities in the state of South Dakota.

8. Information regarding the technical competence of the applicant to provide its proposed local exchange services including (ARSD 20:10:32:03(9)):

- (a) A description of the education and experience of the applicant's management personnel who will oversee the proposed local exchange services; and
- (b) Information regarding policies, personnel, or arrangements made by the applicant which demonstrates the applicant's ability to respond to customer complaints and inquiries promptly and to perform facility and equipment maintenance necessary to ensure compliance with any Commission quality of service requirements.

Midcontinent Communications Management Team includes:

N. Larry Bentson, Chairman

Mr. Bentson is a founder of Midcontinent Media, Inc., and has been active in the ownership and management of television and radio stations, cable TV systems, conventional theatres, satellite transmission and reception, and other communications related companies in Minnesota, North Dakota, South Dakota and Wisconsin. Mr. Bentson graduated from the Institute of Technology at the University of Minnesota in 1943. He served as a naval officer for three years in the South Pacific during World War II. He has served as a board member of numerous industry and non-profit organizations.

Joseph H. Floyd, Vice Chairman

Mr. Floyd has been active in the ownership and management of television and radio stations, cable television systems, conventional theatres, satellite transmission and reception, and other communications related companies in Minnesota, North Dakota, South Dakota, and Wisconsin. He has held a number of positions with Midcontinent, including President and COO, and has been involved with Midcontinent since 1968. He is presently a member of the Board of Directors of the National Cable Television Association and C-SPAN. Previous employers include Martin Marietta Corporation and Public Service Co. of Colorado.

Mr. Floyd holds undergraduate degrees in physics from Augustana College and electrical engineering from the University of Denver.

Mark S. Niblick, Vice Chairman

Mr. Niblick has been with Midcontinent since 1985 and was president from July 2001 through February 2006. Mr. Niblick had also been an Executive Vice President and General Counsel for the company and was responsible for the financial and legal management of the company. Mr. Niblick was previously employed as an attorney and CPA. Mr. Niblick earned a BS in accounting (1975) and a JD (1978) from Indiana University.

Patrick McAdaragh, President and CEO

Mr. McAdaragh was appointed to his current position effective March 1, 2007. Prior to that he served as the company's Chief Operating Officer and was responsible for the day to day operations of all of the company's cable and telecommunications operations including field operations, customer services, sales, marketing, and public relations. Mr. McAdaragh joined the company in 1981 as a staff accountant and held the positions of Controller, Director of Treasury Operations, and Vice President of Operations, prior to current position. Mr. McAdaragh joined the company in June, 1981 after graduating from Augustana College in May 1981 with a BA in accounting.

Steven Grosser, Chief Financial Officer

Mr. Grosser has been with Midcontinent in his current capacity since July 2001. He is responsible for company accounting, management reporting, financial policies and procedures, budgeting, and financial management. Mr. Grosser started with Midcontinent in 1990 and held the position of Assistant Controller, Controller, and Vice President of Finance prior to his current position. He was previously employed by Grant Thornton as an audit supervisor. Mr. Grosser earned a BS in accounting from St. Cloud State University in St. Cloud, MN in December 1985. He is a CPA.

Dick Busch, Chief Operating Officer

Mr. Busch was named to his current position effective March 1, 2007. Prior to that, he served as the company's Chief Technical Officer. He joined Midcontinent Media in 1976 and has served in many capacities within data processing and information technology. Mr. Busch is responsible for field operations and customer service. He is a 1976 computer science graduate of the North Dakota State School of Science and a 1995 degree completion program graduate at Sioux Falls College.

W. Thomas Simmons, Sr. Vice President of Public Policy

Mr. Simmons joined MMI in 1987 as the general manager of Midcontinent Media's South Dakota radio group. Prior thereto, Mr. Simmons worked in radio broadcasting as an engineer, producer, announcer, operations manager, and general manager. His total radio experience covered 25 years, 16 of which were in general management. In 1995, Mr. Simmons joined Midco Communications, Midcontinent's telecommunications company, as Vice President and General Manager. In his current capacity, Mr. Simmons is responsible for public policy, public relations, public affairs, as well as community and government relations. Mr. Simmons holds BA and MS degrees in psychology from Concordia College, Moorhead, MN and North Dakota State University.

Mark Powell, Vice President of Sales

Mr. Powell began his career with Midco Communications in 1993 as an account manager in long distance resale. In 1995, he became local sales manager. In 1999, he became director of Commercial Sales, and in May 2000, he was promoted to director of sales for all Midcontinent Communications products and services. In March, 2007 Mr. Powell was named as Vice President of Sales. Mr. Powell holds BA degrees from Augustana College and the University of Central Oklahoma, and an MBA from the University of Sioux Falls.

Jon Pederson, Vice President of Technology

Mr. Pederson has been the Vice President of Technology since March 2007 having joined Midcontinent Media, Inc. in 1985, and oversees the voice, video and data network teams, engineering, and construction. Over the years, he has served in many IT, IS, network engineering and management capacities. Mr. Pederson graduated from Augustana College in 1983 with a BA degree in psychology, and graduated from Southeast Vocational Technical Institute with an Associate Degree in Computer Programming in 1985.

Kristina Viggers, Director of Customer Service

Ms. Viggers has been with Midcontinent since October of 1999. She is responsible for the customer service organization. Ms. Viggers earned her BS in business administration from the University of South Dakota in May, 1985. She previously worked in the banking and telecommunications industries. Prior to joining Midcontinent she was employed seven years with MCI Telecommunications as a senior manager for their International Customer Service Center.

Nancy Vogel, Director of Revenue Assurance

Ms. Vogel joined Midco Communications in 1986. In 2005, Ms. Vogel was named Director of Revenue Assurance. Her responsibilities include financial reporting, budgeting, pricing and billing. Ms. Vogel graduated from Dakota State University with a BS degree in business administration. She is a CPA, and, before joining Midcontinent, was employed as a senior auditor with the Minnesota State Auditors Office and First Bank System

- 9. Information explaining how the applicant will provide customers with access to emergency services such as 911 or enhanced 911, operator services, interexchange services, directory assistance, and telecommunications relay services (ARSD 20:10:32:03(10)):**

Midcontinent will provide its customers in Gayville with access to emergency services, 911 and E911, by direct redundant trunks to the 911 service center (PSAP).

Operator services and directory assistance will be provided through an agreement Midcontinent has with National Directory Assistance (NDA)

Interexchange services will be provided using an interconnection agreement for trunking with SDN for intrastate traffic and using interconnection agreements with national interstate interexchange carriers.

Telecommunications Relay Service calls will be routed to the state service provider of that service.

10. Financial information including(ARSD 10:10:32:03(11)):

- (a) For the most recent 12-month period, financial statements consisting of balance sheets, income statements, and cash flow statements;

See financial statements included as Exhibit C. Midcontinent respectfully requests confidential treatment of all financial disclosures.

- (b) If a public corporation, the applicant's latest annual report and report to stockholders.

Midcontinent is a general partnership, and is not a public corporation.

11. Information detailing the following matters associated with interconnection to provide proposed local exchange services (ARSD 20:10:32:03(12)):

- (a) The identity of all local exchange carriers with which the applicant plans to interconnect;
- (b) The likely timing of initiation of interconnection service and a statement as to when negotiation for interconnection started or when negotiations are likely to start; and
- (c) A copy of any request for interconnection made by the applicant to any local exchange carrier.

Midco Communications completed its Agreement for Service Resale with Qwest Communications on August 29, 1997 and its Interconnection Agreement with Qwest Communications, which incorporated the earlier resale agreement, on March 1, 1999. In SD PUC Docket TC99-023, "In the Matter of the Filing by Qwest Communications, Inc. for Approval of an Interconnection Agreement Between Midco Communications, Inc. d/b/a Midcontinent Communications and Qwest Communications, Inc., the Commission approved the negotiated agreement on May 5, 1999.

In the area applied for (the Gayville exchange) Midcontinent intends to provide local exchange service where facilities are available and provisioned through an interconnection agreement with PrairieWave.

A formal request for interconnection services satisfying 47 U.S.C. § 251(f) (1) (A) has been transmitted to PrairieWave of even date, and is attached hereto as Exhibit D.

12. **A Tariff or price list indicating the prices, terms, and conditions of each contemplated local service offering (ARSD 20:10:32:03(13)):**

Midcontinent's tariff is on file with the SD PUC.

13. **Cost support for the rates shown in the company's tariff or price list for rate or price regulated noncompetitive or emerging competitive services (ARSD 20:10:32:03(14)):**

Midcontinent offers no regulated noncompetitive, or emerging competitive services.

14. **A description of how the applicant intends to market its local exchange services, its target market, whether the applicant engages in multilevel marketing, and copies of any company brochures that will be used to assist in sale of the services (ARSD 20:10:32:03(15)):**

Midcontinent Communications markets local exchange services primarily through trained sales personnel. Midcontinent intends to offer local exchange services to residential and

commercial customers through direct marketing, either by mail or by direct contact by a Midcontinent representative, or through Midcontinent's inbound sales agents. Midcontinent does not use out-bound telemarketing campaigns by third parties, or multi-level marketing. A copy of Midcontinent's 2005 pricing plan is provided in the form of Exhibits E, F and G.

15. If the applicant is seeking authority to provide local exchange service in the service area of a rural telephone company, the date by which the applicant expects to meet the service obligations imposed pursuant to 20:10:32:15 and the applicant's plan for meeting the service obligations (ARSD 20:10:32:03(16)):

By this application, Midcontinent is seeking authority to provide local exchange service in the Gayville exchange of the PrairieWave service area. Midcontinent is currently able to provide those services enumerated in response to paragraph 6 of this application, and proposes to begin service within 180 days of the Commission's favorable consideration of the application.

16. A list of states in which the applicant is registered or certified to provide telecommunications services, whether the applicant has ever been denied registration or certification in any state and the reasons for any such denial, a statement as to whether or not the applicant is in good standing with the appropriate regulatory agency in states where it is registered or certified, and a detailed explanation of why the applicant is not in good standing in a given state, if applicable (ARSD 20:10:32:03(17)):

In addition to being certificated in South Dakota, as indicated above, Midcontinent is also certificated in North Dakota and Minnesota for commercial and residential intrastate and interstate interexchange services. Midcontinent is also certificated in North Dakota and Minnesota for local exchange services in Qwest areas. No Midcontinent application for state certification has been denied, and Midcontinent is in good standing with the

regulatory agency in each state where it holds a state certification.

17. The names, addresses, telephone numbers, e-mail addresses, and facsimile numbers of the applicant's representatives to whom all inquiries must be made regarding customers complaints and other regulatory matters (ARSD 20:10:32:03(18)):

Complaints should be directed to:

Midcontinent Customer Service
5001 West 41st Street,
Sioux Falls, SD 57106
Phone: (800) 888-1300
Fax: (605) 339-4419
e-mail: midcocomm.midco.net

Or escalated to:

Mary Lohnes
Regulatory Affairs Manager
5001 West 41st Street,
Sioux Falls, SD 57104
Phone: (605) 357-5459
Fax: (605) 339-4419
e-mail: mary_lohnes@mimi.net

Regulatory matters should be directed to:

Mary Lohnes
Regulatory Affairs Manager
5001 West 41st Street,
Sioux Falls, SD 57104
Phone: (605) 357-5459
Fax: (605) 339-4419
e-mail: mary_lohnes@mimi.net

18. Information concerning how the applicant plans to bill and collect charges from customers who subscribe to its proposed local exchange services (ARSD 20:10:32:03(19)):

Midcontinent prepares its own bills and submits them to customers monthly, usually by U.S. Mail. Payment is due within 15 days of receipt. Accounts are considered past due 30 days after the billing date. Past due amounts are charged 1.5 percent interest, or a minimum of \$5.00, per month on outstanding balances. More detailed information concerning Midcontinent's billing procedures is provided in Section 4.1 of its tariff on file with the commission as noted in paragraph 12, above.

19. Information concerning the applicant's policies relating to solicitation of new customers and a description of the efforts the applicant shall use to prevent the unauthorized switching of local service customers by the applicant, its employees or agents (ARSD 20:10:32:03(20)):

Midcontinent customers will be switched to Midcontinent upon written request or through an order placed through its contracted third party verification company. The switching will be handled in a professional and expeditious manner. Only those customers requesting to have Midcontinent as their service provider will be switched. Midcontinent has not, and will not, practice "slamming". Errors, however, can occur. If Midcontinent is informed that a party is switched to Midcontinent in error, that party will be switched back to their previous provider as quickly as possible, and at no cost.

20. The number and nature of complaints filed against the applicant with any state or federal commission regarding the unauthorized switching of a customer's telecommunications provided and the act of charging customers for services that have not been ordered (ARSD 20:10:32:03(21)):

None

21. A written request for waiver of those rules believed to be inapplicable (ARSD 20:10:32:03(22)):

A written request for a waiver of rules is filed separately with this application.

22. Federal tax identification number (ARSD 20:10:32:03(23)):

The Federal Tax ID for Midcontinent Communications is 41-1957148.

Dated this 29th day of May, 2007.

MIDCONTINENT COMMUNICATIONS

By: Nancy A. Vogel
Ms. Nancy Vogel
Director of Revenue Assurance
Midcontinent Communications
5001 West 41st Street
Sioux Falls, SD 57106

Copies of all filings with the Commission by the parties to this proceeding should be served upon Nancy Vogel at the address set forth immediately above and, additionally, upon the undersigned counsel for the applicant.

Dated this 29th day of May, 2007.

MAY, ADAM, GERDES & THOMPSON LLP

BY: David A. Gerdes
David A. Gerdes
Attorneys for Midcontinent
503 South Pierre Street
P.O. Box 160
Pierre, South Dakota 57501-0160
Telephone: (605)224-8803
Telefax: (605)224-6289

CERTIFICATE OF SERVICE

David A. Gerdes of May, Adam, Gerdes & Thompson LLP hereby certifies that on the 29th day of May, 2007, he mailed by

United States mail, first class postage thereon prepaid, a true and correct copy of the foregoing in the above-captioned action to the following at his last known address, to-wit:

PrairieWave Community Telephone, Inc.
Attention William Heaston, Esquire
5100 South Broadband Lane
Sioux Falls, South Dakota 57108

A handwritten signature in black ink, appearing to read "David A. Gerdes", written over a horizontal line.

David A. Gerdes

TABLE OF CONTENTS FOR EXHIBITS

Exhibit A	Gayvile Exchange Map
Exhibit B	Midcontinent Facilities Map
<i>Exhibit C</i>	<i>Midcontinent Communications Financial Reports for the years ending August 31, 2005, and August 31, 2006. -- CONFIDENTIAL</i>
Exhibit D	Notice of Application
Exhibit E	Q & A About Digital Phone Service
Exhibit F	Broadband/Digital/Long Distance Info
Exhibit G	Digital Telephone Users Guide