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

RE: IN THE MATTER OF THE PETITION OF MIDCONTINENT
COMMUNICATIONS FOR APPROVAL OF ITS INTRASTATE SWITCHED
ACCESS TARIFF AND FOR AN EXEMPTION FROM DEVELOPING COMPANY-
SPECIFIC COST-BASED SWITCHED ACCESS RATES
Docket No. TC07-117
Our file: 0053

Dear Patty:

Enclosed is a Motion to Amend Midcontinent's petition in this matter, accompanied by an Amended Petition. Please file the enclosures.

With a copy of this letter, I am sending by e-mail copies of the enclosures to the service list.

Yours truly,

MAY, ADAM, GERDES & THOMPSON LLP

BY: 
DAG:mw

Enclosures

cc/enc: Karen Cremer
Harlan Best
Keith Senger
John Smith

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

| | | |
|--------------------------------|---|-----------------------|
| IN THE MATTER OF THE PETITION |) | TC07-117 |
| OF MIDCONTINENT COMMUNICATIONS |) | |
| FOR APPROVAL OF ITS INTRASTATE |) | MOTION TO |
| SWITCHED ACCESS TARIFF AND FOR |) | AMEND PETITION |
| AN EXEMPTION FROM DEVELOPING |) | |
| COMPANY-SPECIFIC COST-BASED |) | |
| SWITCHED ACCESS RATES |) | |

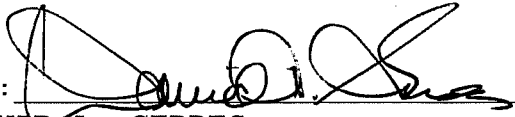
COMES NOW Midcontinent Communications, the applicant in the above-entitled docket, and moves the Commission to approve its amendment of its Petition in the form and style attached hereto.

This petition is based upon the proposition that Midcontinent has negotiated extensively with Commission staff concerning the pendency of this docket and the cost study issues set forth in the initial petition. As a consequence, Midcontinent believes that principles of fairness and equity dictate that the Commission consider all evidence bearing upon an appropriate switched access rate for Midcontinent, considering the competitive situation which exists in many telecommunications exchanges in the state.

WHEREFORE, Midcontinent prays that the Commission approve this amended to its petition and consider the amended petition at the hearing on the merits in this docket.

Dated this 14th day of July, 2008.

MAY, ADAM, GERDES & THOMPSON LLP

BY: 
DAVID A. GERDES
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CERTIFICATE OF SERVICE

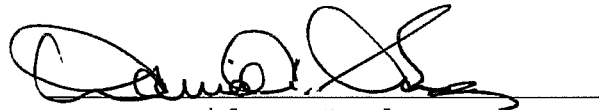
David A. Gerdes of May, Adam, Gerdes & Thompson LLP hereby certifies that on the 14th day of July, 2008, he served electronically a true and correct copy of the foregoing in the above-captioned action to the following at their last known addresses, to-wit:

Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
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A handwritten signature in black ink, appearing to read "David A. Gerdes", is written over a horizontal line.

David A. Gerdes

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

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| IN THE MATTER OF THE PETITION |) | TC07-117 |
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| FOR APPROVAL OF ITS INTRASTATE |) | |
| SWITCHED ACCESS TARIFF AND FOR |) | AMENDED PETITION |
| AN EXEMPTION FROM DEVELOPING |) | |
| COMPANY-SPECIFIC COST-BASED |) | |
| SWITCHED ACCESS RATES |) | |

Pursuant to ARSD 20:10:27:11 to 20:10:27:13, inclusive, Midcontinent Communications ("Midcontinent") petitions the Commission as follows:

1. Midcontinent is a facilities-based competitive provider of local and long distance services in South Dakota. Petitioner competes with the incumbent local exchange carrier, Qwest Corporation ("Qwest"), with certain rural local exchange carriers ("RLECs") and a variety of CLECs, including certain CLECs owned by RLECs.

2. The Commission has approved an exemption for Midcontinent from the requirement to develop company-specific cost-based intrastate switched access rates, starting with Docket TC00-135, and most recently in Docket TC05-185.

3. In attempting to conduct a lawful and effective cost study based upon the Commission's existing rules and Midcontinent's business and operational model, the Company has been forced to conclude that it cannot develop a satisfactory cost basis to establish company-specific costs to determine switched access rates.

4. Midcontinent does not have the internal expertise or resources necessary to determine company-specific cost-based intrastate switched access rates. It has found that even by employing the services of outside consultants it would nonetheless be unable to establish switched access rates satisfactory to either Commission staff or the Commission. Thus the additional costs associated with developing lawful company-specific cost-based intrastate switched access rates outweigh any benefit to the

consumer or customer. Midcontinent therefore seeks to mirror switched access rates employed by other CLECs similarly situated to Midcontinent in the telecommunications marketplace.


5. Filed herewith is Midcontinent's proposed switched access tariff, absent only the rate, for which it respectfully requests the Commission's approval.

6. Alternatively, in lieu of paragraphs 3, 4 and 5, as a part of its efforts to develop a lawful and effective cost study, given the Commission's ILEC-based historical cost structure, Midcontinent devised a cost study model designed to convert its GAAP accounting inputs to those which would effectively meet the Commission's existing cost model. Midcontinent believes this cost model is the functional equivalent of the Commission's cost model and can be adopted and approved by the Commission to permit Midcontinent to file its cost study and establish company-specific costs to determine switched access rates. Midcontinent requests that the Commission approve Midcontinent's cost study, waive relevant sections of ARSD Chapters 20:10:27, 20:10:28 and 20:10:29, and approve the switched access rates indicated by the study.

WHEREFORE, Midcontinent prays for the reasons stated in this petition that the Commission continue to exempt it from developing company-specific cost-based switched access rates, that the Commission authorize it to mirror switched access rates of similarly situated CLECs doing business in the state, or in the alternative, approve Midcontinent's cost study and waive relevant sections of ARSD Chapters 20:10:27, 20:10:28 and 20:10:29, and that the Commission approve its switched access tariff.

Dated this 14 day of July, 2008.

MAY, ADAM, GERDES & THOMPSON LLP

BY: 

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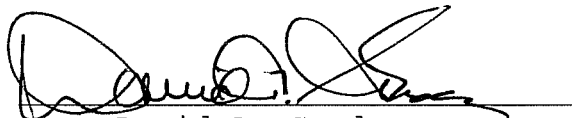
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