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Valley Telephone PO Box 277 Underwood, MN 56586 800-247-2706 July 13, 2009

Terri LaBrie Baker Utility Analyst South Dakota Public Utilities Commission 500 East Capitol Avenue Pierre, SD 57501-5070

Re: In the Matter of the Request of Valley Telephone Company for

Certification Regarding Their Use of Federal Universal Service Support

Docket No.: TC09-067

Dear Ms. LaBrie Baker:

In response to your July 1, 2009, emailed request for additional information regarding Valley Telephone Company's ("Valley") application for certification in the above entitled Docket, Valley provides the answers to your questions as follows:

1-1) In TC07-069, your projected Capital Expenditures for 2008 totaled \$50,000. Were these network improvement targets met? If not, please explain.

Response: Yes and exceeded. The actual Capital Expenditures for 2008 for network improvements were \$108,888.

1-2) Please provide a revised affidavit removing the rules referenced in the last paragraph as previously discussed.

Response: The requested amended Affidavit was e-filed with the South Dakota Public Utilities Commission on June 26, 2009.

1-3) You indicate no changes were made to the 2010 projections; however, the estimated capital expenditures for 2010 in this docket are different than those in TC08-090. Please explain the change.

Response: The increase in capital expenditures is due to the addition of plans for a fiber facility placement to support a DLC/FTTC (Fiber-To-The-Curb) cabinet.

Please let us know if we can provide any further information.

Very truly yours,

cc: Richard J. Johnson

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