



South Dakota Telecommunications Association

South Dakota Telecommunications Association
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February 8, 2010

Ms. Patty Van Gerpen, Executive Director
South Dakota Public Utilities Commission
500 East Capitol Ave.
State Capitol Building
Pierre, SD 57501

RE: Docket TC10-014, (In the Matter of the Investigation of Pricing Regulation for
Switched Access Services Provided by Competitive Local Exchange Carriers)

Dear Patty:

Enclosed for filing in the above referenced docket you will find the electronic original of a "SDTA
Petition to Intervene."

Thank you for your assistance in filing and distributing copies of this Petition.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard D. Coit", written over a horizontal line.

Richard D. Coit
SDTA Executive Director and General Counsel

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

IN THE MATTER OF THE INVESTIGATION)	
OF PRICING REGULATION FOR SWITCHED)	
ACCESS SERVICES PROVIDED BY COMPETITIVE)	Docket No. TC10-014
LOCAL EXCHANGE CARRIERS)	

SDTA Petition to Intervene

The South Dakota Telecommunications Association ("SDTA") hereby petitions the Commission for intervention in the above captioned proceeding pursuant to SDCL 1-26-17.1 and ARSD §§ 20:10:01:15.02, 20:10:01:15.03 and 20:10:01:15.05. In support hereof, SDTA states as follows:

1. SDTA is an incorporated organization representing the interests of numerous cooperative, independent and municipal telephone companies operating as incumbent local exchange carriers (ILECs) throughout the State of South Dakota.

2. Currently, the intrastate switched access services provided by all of the SDTA member companies are classified under state statute and the Commission's administrative rules as "noncompetitive services" subject to "rate of return regulation." On January 27th, 2010, this Commission issued an order on its own motion, pursuant to SDCL 49-31-4.1, to consider whether pricing or "price regulation" is appropriate for switched access services provided by competitive local exchange carriers (CLECs).

3. Under SDCL 49-31-4.1, the Commission is authorized on its own motion or upon petition to hold public hearings for the purpose of investigating methods of "price regulation." The statute further states that "[i]f the investigation indicates that pricing regulation is appropriate for any noncompetitive service because such regulation has a positive impact on

universal service and is more reasonable and fair than rate of return regulation, the commission may adopt pricing regulation for any such noncompetitive service.”

4. Although the investigation initiated with this Docket is intended to look at a possible alternative method of regulating, specifically, the intrastate switched access rates charged by CLECs operating in South Dakota, SDTA and its member companies have an interest in and are concerned with the issues to be addressed in this matter because certain CLECs already compete in incumbent rural telephone company service areas and it is expected that other rural company service areas will inevitably see local service competition.

5. The provisions contained within SDCL 49-31-4.1 require this Commission in determining whether price regulation should be adopted for any “non-competitive service” to apply certain standards of review. In part, the Commission is instructed to consider whether the pricing regulation will have “a positive impact on universal service” and whether the implementation of such regulation would be “more reasonable and fair than rate of return regulation.” In applying these standards, SDTA believes it is especially important for this Commission to remain cognizant of the different service requirements and obligations imposed by this Commission and the FCC on ILECs vs. CLECs and to recognize, specifically, the resulting cost of service differences between such carriers. In addition, SDTA believes it is important for this Commission to implement price regulation methods in a manner that is consistent with rural safeguards and other provisions found in the federal and state law that are intended to discourage selective marketing by competitors, prevent geographic rate de-averaging between urban and rural areas, and otherwise preserve and advance universal service.

6. Based on these concerns and, also, because this Commission has not in any prior case addressed the issues presented in this matter related to the application of “price regulation” to

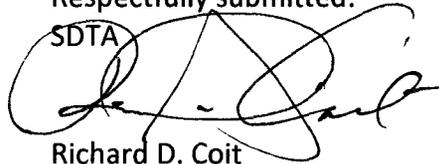
switched access services, SDTA believes that it and its member ILECs are substantially interested in this Docket and have a right to intervene herein.

7. Based on all of the foregoing, SDTA requests that the Commission grant this Petition to Intervene and give SDTA full party status in this Docket.

Dated this 8th day of February, 2010.

Respectfully submitted:

SDTA

A handwritten signature in black ink, appearing to read "Richard D. Coit", written over the printed name below.

Richard D. Coit

Executive Director and General Counsel

CERTIFICATE OF SERVICE

I hereby certify that an original of the Petition to Intervention, dated February 8th, 2010, filed in PUC Docket TC10-014 was served upon the PUC electronically, directed to the attention of:

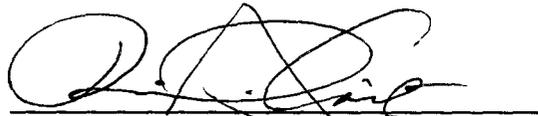
Ms. Patty Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

A copy was also sent by e-mail to each of the following individuals:

Terri LaBrie Baker, Staff Analyst
SD Public Utilities Commission
500 East Capitol Ave.
Pierre, SD 57501

Karen Cremer, Staff Counsel
SD Public Utilities Commission
500 East Capitol Ave.
Pierre, SD 57501

Dated this 8th day of February, 2010

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Richard D. Coit, Executive Director and General Counsel
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