



Government & External Affairs
100 S. Clinton Ave.
5th Floor
Rochester, NY 14646

May 27, 2010

Ms. Patricia Vangerpen
Executive Director
South Dakota Public Utilities Commission
Capitol Building – 1st floor
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

Dear Ms. Vangerpen,

Citizens Telecommunications Company of Minnesota, LLC, (CTC MN) respectfully files for a waiver of the Commission's ETC filing requirements pursuant to ARSD 20:10:32:56, on the ground that the reporting requirements in support of ETC certification are unduly burdensome and unnecessary. CTC MN also requests the Commission to certify CTC MN as an ETC in its annual ETC certification.

Under the FCC's rules at 47 CFR § 54.314, State certification of support for rural carriers:

(b) Carriers not subject to State jurisdiction. A rural incumbent local exchange carrier not subject to the jurisdiction of a state or an eligible telecommunications carrier not subject to the jurisdiction of a state serving lines in the service area of a rural incumbent local exchange carrier that desires to receive support pursuant to Sec. Sec. 54.301, 54.305, and/or 54.307 and/or part 36, subpart F of this chapter shall file an annual certification with the Administrator and the Commission stating that all federal high-cost support provided to such carriers will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

A portion of CTC MN's Jasper, Minnesota exchange extends into South Dakota and serves 74 access lines in South Dakota. The Jasper exchange central office switch is located in Minnesota and the study area is under Minnesota jurisdiction. CTC MN completed an extensive ETC certification filing with the Minnesota Commission on May 27, 2010 and expects to receive re-certification. For the Commission's reference, I attach a copy of our Minnesota filing.

Based on the above regulation, because the study area is subject to Minnesota jurisdiction it is at least arguable that CTC MN could self-certify to the Administrator (the Universal Service Administrative Company) and the FCC. However, out of an abundance of caution, CTC MN hereby requests certification from the South Dakota PUC for our 74 access lines in South Dakota.

Completing a full ETC certification filing for South Dakota would be unduly burdensome because only .07% of the CTC MN customer base are South Dakota residents. The switches and vast majority of outside plant that supports the South Dakota customers are located within Minnesota. It is burdensome to extrapolate specific costs and projects specific to South Dakota customers.

Therefore, CTC MN is requesting a permanent waiver from ARSD 20:10:32:56 ETC filing requirements.

CTC MN is attaching an affidavit stating it will only use the federal high-cost support it receives during 2011 for the provision, maintenance and upgrading of facilities and services for which such support is intended.

CTC MN been designated as an Eligible Telecommunications Carrier ("ETC") by the Commission in the past and requests the Commission include CTC MN in its certification to the Universal Service Administrative Company and the Federal Communications Commission.

If there are any questions please feel free to call Cassandra Guinness at (585) 777-4557.

Sincerely,

A handwritten signature in cursive script that reads "Deborah Fasciano".

Deborah Fasciano
Regulatory Compliance
Citizens Communications

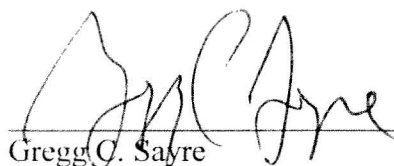
AFFIDAVIT

STATE OF NEW YORK)
)ss.
COUNTY OF MONROE)

1. My name is Gregg Sayre. I am employed by Citizens Telecommunications Company of Minnesota, LLC, (the "Company") as its Assistant Secretary. I am an officer of the Company and am authorized to give this affidavit on behalf of the Company. This affidavit is provided to support the request of the Company for certification by the South Dakota Public Utilities Commission as contemplated in 47 C.F.R. § 54.314.

2. During the year 2009, the Company received federal universal service support, and had investments and expense relating to the provision, maintenance and upgrading of facilities and services for which such support was intended. The Company hereby certifies that it will only use the federal high-cost support it receives during 2011 for the provision, maintenance and upgrading of facilities and services for which such support is intended.

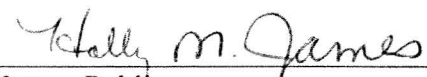
FURTHER AFFIANT SAYETH NOT.



Gregg C. Sayre

STATE OF NEW YORK)
)ss.
COUNTY OF MONROE)

Subscribed and sworn to before me this 27th day of May, 2010.



Notary Public

HOLLY M. JAMES
Notary Public, State of New York
Qualified in Monroe County
My Commission Expires Nov. 30, 2010

PUBLIC DOCUMENT

TRADE SECRET DATA

HAS BEEN EXCISED

BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

REQUEST FOR CERTIFICATION

Citizens Telecommunications Company of Minnesota, LLC (Citizens) is seeking certification of eligibility from the Minnesota Public Utilities Commission (Commission) in order to be eligible for support from the federal Universal Service fund.

The certification required for rural carriers to receive federal universal support for all four quarters during calendar year 2011 is currently due to be filed with the FCC and USAC on or before October 1, 2010. The certification may be presented to these entities in the form of a letter from the State Commission. The letter must identify which carriers in the State are eligible to receive federal support during the 12-month period and must clarify that the carrier listed will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

Citizens is a rural incumbent telephone company that has previously been designated by the Commission as an eligible telecommunications carrier. The Company provides local exchange telephone services, including all of the essential services that are included in the federal definition of universal service, to approximately

103,000 access lines within its established rural service area in Minnesota.

Based on the information in this filing it is anticipated that the Commission will make the appropriate certification to the FCC and USAC.

Attachment A provides details as to the expenditures that were incurred in 2009 and estimates of the expenditures for years 2010 and 2011 for the provision, maintenance, and upgrading of facilities and services supported by federal universal service. Consistent with the universal service principles set forth in the federal law and also the FCC orders referenced herein, Citizens will use federal universal service amounts received in 2010 and 2011 to offset a portion of 2010 and 2011 expenditures incurred within the accounts in Attachment A. This use of federal universal service support will enable Citizens to: (1) maintain rates for its local exchange services that are affordable and reasonably comparable to rates being charged for the same services in urban areas; (2) to continue to upgrade its telecommunications facilities and equipment as necessary to meet evolving service requirements and maintain high quality service. The use of federal universal support for these purposes is clearly consistent with the federal universal provisions.

In Docket P-999/M-07-558 the Commission ordered companies seeking certification to comply with the annual filing requirements by the FCC in CC Docket 94-45, FCC 05-46 with the modifications that a report on a two-year service improvement plan is to be used instead of a five year plan and that the information may be filed on a service area basis instead of a wire-center basis. The following information is provided in compliance with this requirement.

Citizens' service quality improvement plan calls for the maintenance of the high quality service that is currently being provided to all service areas of the company. As an incumbent local carrier the company upgrades and replaces facilities and equipment as necessary. The last year's ETC filing to the state provided a list of certain planned 2009-2010 projects. Attachment B reports the status of those projects. Attachment C details certain planned 2010-2011 construction projects.

We have not provided maps of the areas for which we provide service as those maps are on file with the Minnesota Department of Commerce and the Department of Administration. If maps are still desired please contact us and we will be glad to provide them. Additional information required is provided as follows:

There was a single service outage reported to the FCC in 2009.

- a) The outage occurred 8/7/2009 at 00:10 CT

- b) The outage was due to a scheduled High Risk for emergency fiber maintenance to repair a damaged fiber
- c) There was a toll isolation
- d) The outage occurred in Ely and Babbitt
- e) The fiber was repaired ending the toll isolation on 8/7/2009 at 4:23 CT
- f) There were 5,261 customers affected

We were able to provide service to all potential customers that requested service during 2009 and at December 31, 2009 we had no unfilled requests for service.

The number of complaints of service quality per 1000 handsets or lines for 2009 was approximately 0.09.

The attached affidavit contains the required certifications as they pertain to an incumbent local exchange carrier.

Based on the foregoing information, the enclosed Attachment A, Attachment B, Attachment C and the Affidavit, Citizens requests that this Commission issue an appropriate certification to the FCC and USAC indicating that Citizens Telecommunications Company of Minnesota, LLC is in compliance with 47 U.S.C. § 254(e) and should

receive all federal universal service support determined for distribution to the Company in 2011.

AFFIDAVIT

STATE OF NEW YORK)
)ss.
COUNTY OF MONROE)

1. My name is Gregg Sayre. I am employed by Citizens Telecommunications Company of Minnesota, LLC., (the "Company") as its Assistant Secretary. I am an officer of the Company and am authorized to give this affidavit on behalf of the Company. This affidavit is provided to support the request of the Company for certification by the Minnesota Public Utilities Commission as contemplated in 47 C.F.R. § 54.314.

2. During the year 2009, the Company received federal universal service support, as shown on Attachment A to this Affidavit and had investments and expenses relating to the provision, maintenance and upgrading of facilities and services for which any such support was intended as also shown on Attachment A. During the year 2009, the Company used the federal universal service support it received only for the provision, maintenance and upgrading of facilities and services for which the support is intended.

3. The Company hereby also certifies that it will only use the federal high-cost support it receives during 2011 for the provision, maintenance and upgrading of facilities and services for which such support is intended.

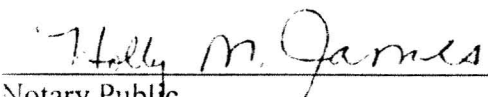
4. The Company also certifies that it is compliance with applicable rules on service quality; service provision in emergency situations and that we do provide equal access to long distance carriers.

FURTHER AFFIANT SAYETH NOT.


Name _____

STATE OF NEW YORK)
)ss.
COUNTY OF MONROE)

Subscribed and sworn to before me this 27th day of May, 2010.


Notary Public _____

HOLLY M. JAMES
Notary Public, State of New York
Qualified in Monroe County
My Commission Expires Nov. 30, 2010

Citizens Telecommunications Company of Minnesota, LLC.

Attachment A

Year 2009 Federal Universal Service Receipts Subject To Certification.

1 High cost loop support	\$0
2 Local switching support	\$0
3 TOTAL	<u>\$0</u>

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

Plant Specific Operations Expenses	<u>Actual 2009</u>	<u>Estimate 2010</u>	<u>Estimate 2011</u>
4 Network support (Accts. 6110-16)	\$19	\$19	\$19
5 General support (Accts. 6120-24)	\$4,276,596	\$4,276,596	\$4,276,596
6 Central office (Accts. 6210-6215)	\$2,499,571	\$2,499,571	\$2,499,571
7 Cable and wire facilities (Accts. 6410-6441)	\$4,287,195	\$4,287,195	\$4,287,195
8 Network operations (Accts. 6530-35)	\$3,883,060	\$3,883,060	\$3,883,060
9 Depreciation & amortization (Accts. 6560-65)	\$18,677,826	\$18,677,826	\$18,677,826
10 Customer Operations Expenses			
11 Customer services (Accts. 6620-23)	\$4,182,422	\$4,182,422	\$4,182,422
Corporate Operations Expenses			
12 Executive and planning (Accts. 6710-12)	\$1,019,306	\$1,019,306	\$1,019,306
13 General and administrative (Accts. 6720-28)	\$5,377,902	\$5,377,902	\$5,377,902
14 Total Year Supported Expenses, Before Return on Investment	\$44,203,896	\$44,203,896	\$44,203,896
Additions			
15 Total central office switching (Acct. 2210)	\$440,170	\$440,170	\$440,170
16 Total cable and wire (Acct. 2410)	\$7,280,040	\$7,280,040	\$7,280,040
17 TOTAL	\$7,720,210	\$7,720,210	\$7,720,210
18 Total Year Supported Expenditures Before Return On Investment	\$51,924,107	\$51,924,107	\$51,924,107

Attachment B

Citizens Telecommunications Company of Minnesota, LLC
Report on status of 2009-2010 Projects

{ Trade Secret begins...

Exchange	Estimated Cost	Description

... Trade Secret ends}

Non-Public Document – Contains Trade Secret Status Data

Attachment C

Citizens Telecommunications Company of Minnesota, LLC
Report on status of 2010-2011 Projects

{ Trade Secret begins...

Exchange	Estimated Cost	Description

... Trade Secret ends}

Non-Public Document – Contains Trade Secret Status Data