

To South Dakota Public Utilities Commission

From: Midcontinent Communications

Re: THE FEDERAL COMMUNICATIONS COMMISSION REPORT AND ORDER FCC 11-161. COMMISSION'S REQUEST FOR CARRIERS TO SUBMIT REVISED TARIFF TO THE COMMISSION FOR IMPLEMENTATION OF FCC- REQUIRED INTRASTATE SWITCHED ACCESS RATE REDUCTION ON JULY 1, 2012

This tariff filing contains access tariff revisions in accordance with the FCC-required rate reductions. Midcontinent is also providing the following support information:

Support Information

- Confidential Attachment 1 contains the following data on Midcontinent's Transitional Intrastate Access Services: Midcontinent's Fiscal Year 2011 intrastate demand (volume) for intrastate access services (by rate element); all intrastate access rates in effect as of December 29, 2011; all interstate access rates in effect as of December 29, 2011.
- When matching the interstate access rates to intrastate access demand, Midcontinent used the following mapping: The interstate common port rate was mapped to the intrastate local switching minutes, which is consistent with the way this rate element is applied in the interstate jurisdiction.
- To develop the reduced intrastate rates reflecting the required revenue reductions, Midcontinent used the methodology described in 47 CFR §51.911(b)(4), according to which rates for the carrier's Transitional Intrastate Access Service are established "using its intrastate access rate structure. Carriers using this option shall establish rates for Transitional Intrastate Access Service such that Transitional Intrastate Access Service revenue at the proposed rates is no greater than Transitional Intrastate Access Service revenue at the intrastate rates in effect as of December 29, 2011 less the Step 1 Access Revenue Reduction, using Fiscal year 2011 intrastate switched access demand." More specifically, Midcontinent reduced its intrastate terminating Carrier Common Line and intrastate terminating tandem switching rates to achieve the required revenue reduction. Midcontinent calculated the required revenue reduction as 50% of the difference between (1) its total revenue from Transitional Intrastate Access Service at Midcontinent's interstate access rates in effect on December 29, 2011, using Fiscal Year 2011 intrastate switched access demand for each rate element; and (2) total revenue from Transitional Intrastate Access Service at Midcontinent's intrastate access rates in effect on December 29, 2011, using Fiscal Year 2011 intrastate switched access demand for each rate element.
- This tariff filing does not change the rate structure utilized in the Midcontinent intrastate access tariff.

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