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

IN THE MATTER OF THE FILING BY	)	
MIDSTATE TELECOM, INC. FOR	)	TC12-102
APPROVAL OF REVISIONS TO ITS	)	SECOND
ACCESS SERVICE TARIFF	)	SUPPLEMENTAL FILING OF
		MIDSTATE TELECOM

COMES NOW Midstate Telecom, Inc. (Midstate Telecom) and hereby respectfully submits this Second Supplemental Filing in the above-named docket.

#### **BACKGROUND**

1. Docket TC12-102 is Midstate Telecom's request for Commission approval of its transitional terminating intrastate access rates, in compliance with the FCC's 11-161 Order. On June 22, 2012, Midstate Telecom filed revisions to its tariff to comply with the terminating access rate reductions mandated by the FCC 11-161 Order. The docket was originally placed on the Commission's agenda on Tuesday, July 17, 2012, but following receipt of correspondence from Staff, action on the docket was delayed pending further discussions between Staff and Midstate Telecom. The docket was rescheduled on the agenda of the Commission meeting on August 28, 2012 and the Commission heard comments and responses to questions from Midstate Telecom and from Staff, and deferred action on the docket for two weeks. The docket was again placed on the Commission's agenda on Tuesday, September 11, 2012. Following arguments by counsel, the Commission asked for additional clarification on some limited issues and deferred action on the docket for an additional two weeks. Midstate Telecom submits this Second Supplemental filing in response to those issues.

- 2. The salient facts have been discussed in the previous filings but can be summarized as follows:
- A. Midstate Telecom was granted a Certificate of Authority by this Commission in April of 2001 (TC01-007). Its initially approved switched access rate was 13.25 cents per minute.
- B. The current tariffed rate of 11.5 cents per minute was approved by this Commission on April 25, 2006, with an effective date of March 20, 2006 (TC05-060), as a result of a Settlement Stipulation<sup>1</sup> between Staff and Midstate Telecom.
- C. In May of 2011, this Commission adopted new rules with regard to CLEC access rates that (1) adopted the RBOC rate and (2) allowed CLECs to file a Cost Study if they believe a higher rate is warranted.
- D. On June 22, 2011, Midstate Telecom filed a Cost Study (TC11-075), thus availing itself of the "exemption" to the RBOC rate set forth in the Commission's new rules. Midstate Telecom did not revise its tariff pages at that time, pending the outcome of its cost study filing.
  - E. On November 18, 2011, the FCC released its Order in FCC 11-161.
- F. On June 5, 2012, Midstate Telecom withdrew its cost study and the docket was closed. At the time of withdrawal of the cost study, Midstate Telecom indicated in its filing, and the Commission acknowledged in its Order, its intent to file a transitional rate filing, in accordance with FCC Order 11-161, with regard to terminating access rates. With regard to originating access rates, Midstate Telecom intends to make any necessary adjustments to its rates, based upon the outcome of the current cost study docket.

<sup>&</sup>lt;sup>1</sup> The Settlement Stipulation between Staff and Midstate Telecom, among other things, froze Midstate Telecom's rate for three years, but authorized Midstate Telecom to request extension of the rate following expiration of the freeze. Midstate Telecom did so in 2009, and the Commission approved Midstate Telecom's 11.5 cent rate on June 30, 2009 (TC09-009).

- G. On June 22, 2012, Midstate Telecom filed revisions to its tariff to comply with the terminating access rate reductions mandated by the FCC 11-161 Order.
- H. On September 10, 2012, Midstate Telecom re-filed its cost study. The purpose of refiling the cost study was twofold: (1) to enable Midstate Telecom to formally request production of Staff's analysis of its cost study; and (2) to determine the appropriate intrastate originating access rate for Midstate Telecom, subject to this Commission's applicable rules and the FCC 11-161 Order.

#### **ARGUMENT**

- 3. The crux of this matter and the real dispute centers around what rate Midstate Telecom should use as the starting point for the transitional terminating rate. Midstate Telecom believes the starting rate under the clear language of § 51.911 of the 11-161 Order should be 11.5 cents. Staff argues that the starting point of the transitional terminating rate should be the RBOC rate of 6.042 cents, per state administrative rule. Staff apparently gets to this position through its interpretation of the effect of withdrawal of Midstate Telecom's cost study in another docket (TC11-075), which withdrawal occurred well after the FCC's 11-161 Order became effective. The argument propounded by Staff is that Midstate's cost study in TC11-075 was merely a "place holder" to keep its tariffed rates at 11.5 cents, and that once the place holder was withdrawn in June of 2012, Midstate Telecom's rates not only automatically became the RBOC rate, but also retroactively became the RBOC rate, back to May of 2011. Thus, according to Staff, the RBOC rate is the starting point for the calculation of Midstate Telecom's terminating access rate in this docket.
- 4. Other questions surfaced at the September 11<sup>th</sup> meeting, and those questions also seemed to focus around the effect of the withdrawal of Midstate Telecom's

cost study on this docket, both on originating and terminating access rates. One question was, after withdrawal of the cost study in June of 2012, what should Midstate Telecom's terminating access rate be from June 5, 2012 (date of withdrawal of cost study) to July 1, 2012, prior to the effective date of the transitional rate. Other questions included the extent to which the FCC's 11-161 Order preempts state jurisdiction of terminating access rates from January 1, 2012 to July 1, 2012, and what effect withdrawal of the cost study has on Midstate Telecom's originating switched access rates. Midstate Telecom will attempt to address these additional questions in this Second Supplemental Filing, and also continues to rely on previous filings in this docket.

Prior to addressing the inquiries from the September 11<sup>th</sup> meeting, 5. Midstate Telecom would point out that the continuing inquiries into the facts and circumstances surrounding this docket are the result of major changes in regulations at both the state and federal level. These regulatory changes have, in turn, caused confusion and regulatory uncertainty for South Dakota CLECs, and Midstate Telecom in particular, as is evidenced by the differing positions of Staff and Midstate Telecom in this docket, by the Commission's continued inquiries and apparent reluctance to approve this docket, and by the Affidavit of Mark Benton filed previously herein. It is only because of the changing regulatory environment that the significance of withdrawal of Midstate Telecom's cost study has been escalated to a focal point in this docket. It continues to be Midstate Telecom's position that in the final analysis, proper application of all applicable legal authority demonstrates that withdrawal of the cost study had no effect on Midstate Telecom's legal, tariffed rate as of December 29, 2011, which is the correct starting point for its transitional rate filing. Staff's position cannot be supported under the FCC Order, settled case law, state statutes or administrative rules.

## A. Staff's Position is not Legally Sustainable

6. As noted previously, Staff argues that the starting point for calculation of Midstate Telecom's terminating access rates under the FCC's 11-161 Order is the RBOC rate. Staff arrives at that point by arguing that Midstate Telecom's cost study was merely a "place holder", and that once the place holder was withdrawn on June 5, 2012, all things returned to the status quo, retroactively to May of 2011 when the Commission's CLEC rules became effective. Staff argues that withdrawal of the "place holder" cost study caused Midstate Telecom's rates to automatically and retroactively revert to the RBOC rate as of May of 2011, and thereafter, for both terminating and originating intrastate switched access rates. Staff's argument fails, for several reasons: (1) it is contrary to the plain, unambiguous language of the FCC's Order; (2) it is contrary to the filed rate doctrine; and (3) it requires interpretation of an administrative rule in a manner that contradicts current unambiguous statutes and regulations.

## (1) Clear language of FCC's 11-161 Order

7. Midstate Telecom does not deny the tumultuous regulatory framework than has existed in the telecommunications arena in the past eighteen to twenty-four months. The first sweeping change was the Commission's adoption of the new rules governing CLEC switched access rates. On the heels of that change came the FCC's 11-161 Order, which makes even more sweeping changes to intercarrier compensation. These back to back regulatory revisions placed all carriers, and especially CLECs in South Dakota, in a position of regulatory uncertainty, with little timely guidance from regulators.

- 8. Such regulatory uncertainty does not, however, make it possible to ignore the adoption by the FCC of Order 11-161, and in particular, its effect on intrastate access rates. The plain language of that Order cannot be brushed aside or preempted by a state regulation.
- 9. Under the FCC 11-161 Order, the treatment of intrastate switched access rates for competitive LECs is specifically and clearly addressed in § 51.911. Section (a)(2) of § 51.911 first of all caps intrastate switched access rates, both on the originating and terminating side, at the rates in effect on December 29, 2011. Then the Order goes on to make a differentiation between originating and terminating rates by stating that intrastate originating access service remains subject to state rate regulation in effect December 31, 2011. § 51.911(a)(2) (emphasis added). The Order then sets forth the exact steps to be followed by the CLEC in its transitional filing by requiring CLECs to calculate total revenue for fiscal year 2011 by applying the carrier's interstate and intrastate access rates "in effect . . . 30 days after date of publication" of the Order, which was December 29, 2011. § 51.911(b)(1) and (2). It is a matter of record that on December 29, 2011, Midstate Telecom's approved tariff on file with this Commission included a composite intrastate access rate for originating and terminating access rates of 11.5 cents. There are no exceptions contained in the plain language of the rule. The rate is what it is on December 29, 2011, and there is no process in the rule to retroactively change that rate.
- 10. Staff's position that withdrawal of Midstate Telecom's cost study triggers an automatic and retroactive imposition of the RBOC rate, effective May 2011 and thereafter, is unsustainable under the plain language of the Order. The FCC 11-161

Order capped Midstate Telecom's intrastate access rates as of the effective date of the Order, which was December 29, 2011.

(2) In the case of Competitive LEC . . . that are subject to the rural exemption . . . no such Competitive LEC may increase the rate for any originating or terminating intrastate switched access service above the rate for such service in effect on [December 29, 2011], with the exception of intrastate originating access service. For such Competitive LECs, intrastate originating access service subject to this subpart shall remain subject to the same state rate regulation in effect December 31, 2011, as may be modified by the state thereunder. § 51.911 (a)(2) (emphasis added).

Midstate Telecom did not withdraw its cost study docket until June of 2012. As of December 31, 2011, ARSD 20:10:27:02.01 and 20:10:27:02.02 were both in effect, but no other modifications were made by the Commission thereafter. Staff is attempting to construe an <u>action</u> taken after the effective date of the 11-161 Order (i.e., removal of a cost study) to support imposition of a different rate retroactively, rather than the tariffed rate that was actually on file with the Commission on December 29, 2011. Such a strained construction does not comply with the plain language of the FCC's 11-161 Order.

## (2) Filed Rate Doctrine

11. As noted in previous filings Midstate Telecom's position is also supported by the filed rate doctrine. Under section 203(a) of the Communications Act, Midstate Telecom is required to file tariffs with the FCC and the Commission "showing all charges" and "showing the classifications, practices, and regulations affecting such charges." 47 U.S.C. § 203(a). These tariffs have the effect of law. *See* American Tel. & Tel. Co. v. Central Office Telephone, Inc., 524 U.S. 214, 221-22, 118 S. Ct. 1956, 141 L.Ed.2d 222 (1998). Accordingly, pursuant to the filed rate doctrine, the tariff effective

- on December 29, 2011 "has the effect of law". <u>Alliance Communications Co-op., Inc. v.</u> <u>Global Crossing Telecommunications, Inc.</u>, 663 F. Supp. 2d 807, 819 (D.S.D. 2009).
- 12. Although the filed rate doctrine is based in federal law, South Dakota has a statute that also stands for the proposition that a company's tariff approved and on file "has the effect of law". Alliance, supra. SDCL 49-31-12.1 provides that "any tariff... approved pursuant to § 49-31-1.4, 49-31-12, 49-31-12.2, 39-31-12.4, or 49-31-12.5, shall be received in evidence as an official tariff on file with the commission without further proof." This statute further supports Midstate Telecom's position that the tariff on file with the Commission on December 29, 2011, is its legal rate.
  - C) Staff's interpretation of the CLEC rate rules contradicts current unambiguous statues and regulations.
- study was merely a placeholder, and upon withdrawal of the placeholder, Midstate Telecom's access rates automatically and retroactively reverted to the RBOC rate, all the way back to May of 2011. It is untenable that closing of a cost study docket, without prejudice, could trigger such a drastic chain of events. Closing of the cost study docket was not an irrevocable action that supports rolling the clock back to May of 2011 and changing rates in complete contravention of statutory rules and procedures governing revision of rates. Such an interpretation would mean that the administrative rule that established the CLEC rate trumped not only existing statutes and rules, but also the FCC's Order. The Commission should not interpret one administrative rule in contravention of its other rules and procedures. It is the tariff on file that is the actual "placeholder", because it is a company's legal rate: "Any tariff... approved pursuant to § 49-31-1.4, 49-31-12, 49-31-12.2, 49-31-12.4, or 49-31.12.5, shall be received in

evidence as an official tariff on file with the commission, without further proof." SDCL 49-31-12.1. Midstate Telecom's approved rate on file with the Commission is 11.5 cents per minute. Even though the Commission adopted new rules addressing CLEC access rates, the rules were silent as to implementation of the rates. Since there were no specific directives, the currently existing statutes and rules that clearly articulate the process for a company to change its tariffed rates govern. It is a well settled rule of statutory construction that a specific enactment prevails over the terms of a general enactment. Clem v. City of Yankton, 160 NW2d 125 (SD 1986).

14. Under the new rules adopted in May of 2011, CLECs were granted the option of charging the RBOC rate or filing a cost study. Specifically, the rules state:

A competitive local exchange carrier shall charge intrastate switched access rates that do not exceed the intrastate switched access rate of the Regional Bell Operating Company operating in the state. ARSD 20:10:17:02.01

It a competitive local exchange carrier believes that a higher rate than the rate allowed under § 20:10:27:02.01 is justified under price regulation, the carrier may file a cost study in accordance with chapters 20:10:27 to 20:10:29 to determine its fully allocated cost of providing switched access services. In addition to considering the fully allocated cost of providing switched access services, the commission shall consider the other factors in SDCL 49-31-1.4 in its determination of the competitive local exchange carrier's price for switched access services. ARSD 20:10:27:02.02

Significantly absent in those rules, however, are any guidelines or procedures setting forth how the new rates are to be implemented by CLECs, or what interim rates would be, other than the tariffed rate, if a cost study is filed. There were also no follow-up guidelines or instructions from the Commission or from Staff as to what procedures would be followed to implement the rates set forth in the new rules. While many CLECs followed existing statutory procedure and rules and filed revised tariff pages for approval by the Commission, Midstate Telecom did not, nor was it the only CLEC that did not file

revised tariff pages. Midstate Telecom did, however, file a cost study, which is unique as it is the only CLEC that followed the alternative provided in ARSD 20:10:27:17.02.

- 15. Under current state statutes and administrative rules, rates are not "automatically" changed by passage of a new rule that is procedurally silent as to implementation of a new rate. ARSD 20:10:27.07 addresses how a carrier may file for a rate change, and also points to applicable state statutes:
  - "...Each carrier's carrier or association may file for a rate change in accordance with SDCL 49-31-12.2 to 49-31-12.4, inclusive. The Commission may change or revise any switched access rate or price in accordance with SDCL 49-31-12 and 49-31-12.4."

It is a general proposition that administrative rules are subject to the same rules of construction as statutes. Nelson v. State Board of Dentistry, 464 NW2d 621 (SD 1991). Therefore Courts construe administrative rules according to their intent as determined from the rule as a whole and other rules relating to the same subject. Border States Paving, Inc. V. Department of Revenue, 437 NW2d 872 (SD 1989). See Estate of He Crow by He Crow v. Jensen, 494 NW2d 186, 190-191, (SD 1992). Accordingly, ARSD 20:10:17:02.01 and ARSD 20:10:27:02.02 cannot be read in a vacuum.

16. The procedures outlined in ARSD 20:10:27.07, which clearly point the Commission to state statutes for guidance on the procedures to be followed for changing a tariffed rate, were in effect prior to the adoption of ARSD 20:10:27:02.01 and 20:10:27:02.02 in May of 2011.<sup>2</sup> To ignore the existing rules and statutes is contrary to

<sup>&</sup>lt;sup>2</sup> Midstate Telecom's filed and approved rate, as an example, was originally 13.25 cents at the time of its certification as a CLEC. As a result of negotiations with Staff in Docket TC05-060, wherein a Settlement Agreement was negotiated between Staff and Midstate Telecom, Midstate Telecom's new agreed-upon rate was 11.5 cents. In order for the new rate to be Midstate Telecom's legal tariffed rate and to become effective, Midstate Telecom followed the procedures set forth in SDCL 49-31-12.5. Midstate

the laws of statutory construction. The statutes and rules that were in place prior to the May 2011, CLEC rule revisions are still in place today. Pursuant to those procedures, only upon approval of the revised tariff pages by the Commission are tariffed rates changed, with an effective date as stated in the revised tariff pages and as approved by the Commission.

- statutes or administrative rules setting forth the procedures that must be followed to change a tariffed rate. The new CLEC rules were silent as to the actual process of revising a tariffed rate. Staff can point to no language in the new CLEC rules stating that the RBOC rate was effective immediately or automatically, thereby relieving CLECs from following existing procedures for changing tariffed rates. An administrative rule "can in no way expand upon the statute that it purports to implement... the rule must be interpreted within the scope of the statute that it purports to implement." State Division of Human Rights v. Prudential Ins., 273 NW 2d 111, 114 (SD 1978). To interpret an administrative rule in a manner that is inconsistent with, or contrary to existing rules and statutes violates the laws of statutory construction. 73 CJS PUBLAW § 172. Furthermore, if an administrative rule conflicts with an unambiguous statute or a clear expression of legislative intent, the rule is invalid. Id.
- 18. ARSD 20:10:27:02.01 and 20:10:27:02.02 did not change the current, clearly stated procedures that must be followed by companies to change their tariffed rates. To interpret the rules otherwise would render them invalid. Midstate Telecom was

Telecom filed revised tariff pages, which the Commission approved by Order dated April 25, 2006.

following the existing rules. Midstate Telecom availed itself of the opportunity afforded by ARSD 20:10:27:02:02 and filed a cost study. Midstate Telecom intended to take the final steps and procedures for it to legally change its tariffed rates, as set forth in the above-cited statutes and rules, once the Commission made a decision in the cost study docket, which did not occur.

# B. Other Questions Concerning Effect of Withdrawal of Cost Study

- (1) Effect of Withdrawal of Cost Study on Midstate Telecom's Terminating Access Rates
- 19. One question that arose at the September 11, 2012 meeting was the effect of withdrawal of the cost study on Midstate Telecom's terminating access rates from date of withdrawal in June of 2012 through the effective date of the transitional rate on July 1, 2012, when no transitional rate is in effect. A related question was to what extent does the FCC's 11-161 Order preempt state jurisdiction of terminating access rates from January 1, 2012 to July 1, 2012.
- 20. In response to these inquiries, Midstate Telecom would point to § 51.911 of the Order. Section (a)(2) of § 51.911 first of all caps intrastate switched access rates, both on the originating and terminating side, at the rates in effect on December 29, 2011. Then the Order goes on to make a differentiation between originating and terminating rates. "For such Competitive LECs, intrastate originating access service subject to this subpart shall remain subject to the same state rate regulation in effect December 31, 2011, as may be modified by the state thereafter." § 51.911(a)(2) (emphasis added). There is no such language in the Order as to terminating intrastate access rates, and then the Order goes on to set forth the exact steps to be followed by the CLEC in its transitional terminating rate filing. § 51.911(b). So, the Order in essence asserts

jurisdiction over all intrastate rates via assertion of a cap, then cedes only originating access rate jurisdiction back to state commissions.

- 21. Midstate Telecom interprets that to mean that after the effective date of the Order, state commissions no longer retain regulatory authority and jurisdiction over terminating intrastate access services. It is only intrastate originating access services that remain subject to state regulations in effect December 31, 2011 and as modified thereafter. From December 31, 2011 through July 1, 2012, Midstate Telecom's terminating rates were (a) capped at the rate in its state tariff in effect as of December 29, 2011, and (b) no longer subject to state regulation. CLECs are then given until July 1 of 2012 to file transitional terminating rates, in accordance with the guidelines in the Order. Midstate Telecom has complied with the provisions of the Order. Withdrawal of its cost study docket in June of 2012 has no effect on the process dictated by the Order on the terminating side, because its rates are capped and state regulations no longer apply to terminating switched access services after December 31, 2011. Accordingly, Midstate Telecom's terminating rate from the date of withdrawal of its cost study to the effective date of the transitional rate is 11.5 cents, which is the rate in its tariffed rate as of December 29, 2011.
  - (b) Effect of Withdrawal of Cost Study on Midstate Telecom's Originating Access Rates
- 22. With regard to originating rates, Midstate Telecom concurs that withdrawal of the cost study in June of 2012 may result in some adjustments to its originating rates, post-withdrawal of the cost study, but not retroactively. Midstate Telecom would point out that one of the key motivating factors in its actions of withdrawal of the study was strong encouragement by Staff to do so. Since its intrastate

originating rates were arguably capped at 11.5 cents per the 11-161 Order, the possibility of Midstate Telecom being able to charge a higher, cost study based rate no longer existed. Therefore, Midstate Telecom anticipated being able to work with Staff to negotiate an appropriate originating rate. That did not happen, so Midstate Telecom refiled its cost study to enable this Commission, pursuant to its applicable rules, including 20:10:27:02.02, and the restrictions of the FCC's Order, to determine the appropriate originating access rate for Midstate Telecom. Midstate Telecom continues to believe that as a result of the cost study, its originating access rates are sustainable at the 11.5 cent rate. Should that not prove to be the case, there is authority under the Commission's statutes and rules for refunds or credits to IXC's, if appropriate, so adjustments can be accomplished within that process. Midstate included the 11.5 cents originating rate in the revised tariff in this docket, because that is Midstate Telecom's current tariffed rate. Upon final resolution and determination by this Commission of Midstate Telecom's originating access rates, Midstate Telecom will amend its filed tariff.

# (c) Dereliction of Duty

23. Questions were also propounded at the September 11<sup>th</sup> meeting as to whether dereliction of duty by a party automatically invokes or justifies imposition of the May 2011 rules, without the necessity of following current regulatory procedures, as suggested by Staff. There is no statutory basis for that premise. Rules and statutes are to be given their plain meaning, regardless of the actions of the parties. When the language in a statute is clear, certain and unambiguous, the only function of the Commission is to declare the meaning of the statute as clearly expressed. Masad v. Weber, 2009 SD 80, ¶14, 772 NW2d 144.

- 24. Midstate Telecom disputes that it was derelict in this process. There may have been confusion and lack of guidance in this regulatory process, but to allege misconduct to the extent of justification of interpreting and enforcing a rule not only in a manner contrary to existing rules and statutes, but in a punitive manner is simply not supported by the facts in this docket. Staff could have provided some clearer guidance and directives to all CLECs, following adoption of the CLEC rules or at any time thereafter. This Commission has ample authority to enforce its rules and statutes. There are statutory remedies available to the Commission for non-compliance by a company of its rules. For example, in the event a company does not file a revised tariff in accordance with the administrative rules established by the Commission, the Commission has the ability to force the Company to do so, by requesting a writ of mandamus. SDCL 49-31-12.3. Another option would be for the Commission to suspend a company's rates for a period of time, pending completion of a cost study or investigation into rates. ARSD 20:10:13:25. Midstate Telecom would point out, however, that even under that option, the company's "previous rates . . . shall remain in effect during the period of suspension or until lawfully cancelled, reissued or otherwise ordered by the Commission." This rule, while providing an option for alternative action by the Commission, supports the lawfulness of tariffed rates.
- 24. Placing the entire burden on the CLECs to follow newly adopted Commission rules and regulations that are completely silent as to procedure, without any guidance, directives, or timelines from Staff, and then proposing a retroactive implementation of the new rules that is contrary to current procedures, in a punitive manner, is clearly not warranted in this case. Midstate Telecom would urge the Commission not to adhere to the recommendation of Staff in this docket.

#### **CONCLUSION**

25. There is no plausible legal argument to support the contention that withdrawal of Midstate Telecom's cost study docket automatically and retroactively affected its legal tariffed rate back to May of 2011, thus making the RBOC rate the starting point for Midstate Telecom's transitional rate filing in this docket. The CLEC rate rules that established the RBOC rate and the ability to file a cost study contained no provisions or procedures for implementation of the new rates. In absence of such language, the current statutes and rules for changing tariffed rates are the only applicable rules, and they apply in this case. Under said rules and procedures, Midstate Telecom's legal, tariffed rate as of December 29, 2011, is 11.5 cents. The plain, unambiguous language of the FFC 11-161 Order, and the filed rate doctrine, support the same conclusions. Midstate Telecom is not requesting a strained interpretation of federal law, settled case law, state law or administrative rules. Midstate Telecom's transitional terminating rate as filed in the current docket should be approved by this Commission without change or modification. Midstate Telecom respectfully requests that the rate be approved.

Dated this <u>19th</u> day of September, 2012.

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# CERTIFICATE OF SERVICE

I hereby certify that an original Second Supplemental Filing of Midstate Telecom was served upon the PUC electronically, directed to the attention of:

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

Dated this  $\frac{19t^{1/2}}{1}$  day of September, 2012.

Darla Pollman Rogers