

TC13-060 - SANCOM

REQUEST FOR WIAVER OF § 20:10:27:02.01



Via Electronic Filing

July 31, 2013

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

RE: Sancom, Inc. (d/b/a Mitchell Telecom)
Revised Terminating Intrastate Switched Access Rate Structure (TC13-060)
Request for Waiver of § 20:10:27:02.01

Dear Ms. Van Gerpen,

Pursuant to ARSD § 20:10:27:02, by this letter, Sancom, Inc. (“Sancom”) is requesting a waiver of ARSD § 20:10:27:02.01. This request is per question number four of Staff Data Request No. 1, dated July 24, 2013 in Docket TC13-060 regarding Sancom’s revised terminating intrastate switched access rate structure.

Language contained within ARSD § 20:10:27:02.01 indicates Sancom shall not have intrastate switched access rates in excess of the South Dakota Regional Bell Operating Company. Sancom requests a waiver of this requirement based on the Federal Communications Commission’s (FCC), November 18, 2011, Intercarrier Compensation Reform Order (FCC 11-161 or Order)¹. The Order capped intrastate rates at December 29, 2011 levels, which began a nine year transition to bill-and-keep for rural carriers’ intrastate terminating switched access rates.

Sancom is a rural CLEC that follows the FCC’s Rural Benchmark exemption found in 47 CFR 61.26(e). At the time of the cap and currently, Sancom’s interstate switched access rate is higher than its intrastate switched access rate on a per minute basis. Sancom detailed the steps taken to calculate its rates in the 1st staff data request response filed today with this waiver request in order to comply with the rate structure required by the Order and keeping the overall rate revenue neutral.

¹ *Connect America Fund*, WC Docket No. 10-90, *A National Broadband Plan for our Future*, GN Docket No. 09-51, *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket no. 05-337, *Developing an Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, *Federal –State Joint Board on Universal Service*, CC Docket No. 96-45, *Lifeline and Link-Up*, WC Docket No. 03-109, *Universal Service – Mobility Fund*, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. November 18, 2011).



The waiver requested is necessary due to the Sancom's interstate rate per minute being higher than the Century Link/Qwest interstate rate per minute at the time of the FCC cap (which is now Century Link/Qwest's intrastate terminating rates based on the Order). Sancom requests Commission approval of the filed terminating intrastate rates by element and structure as filed in TC13-060 which will maintain the \$0.06042 rate per terminating minute after elements, billing percent, and terminations are applied and will continue to transition the terminating End Office rate element down per the FCC Order.

Based on these reasons and good cause as provided herein, Sancom hereby respectfully requests the Commission waive the terminating rate requirements identified in § 20:10:27:02.01 requiring a competitive local exchange carrier to charge intrastate switched access rates that do not exceed the intrastate switched access rate of the Regional Bell Operating Company operating in the state.

If you have any questions, please feel free to contact me at (402) 462-2554 or via email at wendy.harper@vantagepnt.com.

Sincerely,

Wendy Harper
Telco Consultant
Vantage Point Solutions

cc: Ryan Thompson