

**BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE REQUEST OF CLARITY TELECOM DBA VAST BROADBAND LLC FOR CERTIFICATION REGARDING ITS USE OF FEDERAL UNIVERSAL SERVICE SUPPORT)))))	ANNUAL ETC CERTIFICATION FILING
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Clarity Telecom, LLC dba Vast Broadband (“Vast Broadband” or the “Company”), by and through its attorney, makes this filing to seek certification from the South Dakota Public Utilities Commission (the “Commission”) as is required under 47 C.F.R. § 54.314 and to comply with the provisions of ARSD §§ 20:10:32:52 and 20:10:32:54 of the Commission’s rules pertaining to eligible telecommunications carriers (“ETCs”).

In accordance with 47 C.F.R. § 54.314, federal universal service support provided to carriers pursuant to 47 C.F.R. § 54.305, 54.307, 54.312, 54.800 through 54.809 and/or 54.901 through 54.904 and/or Part 36, Subpart F (interstate access support, interstate common line support, support provided to competitive eligible telecommunications carriers, Connect America Fund support, high-cost loop support, safety net additive support and safety valve support) will be made available only if the State Commission files the requisite annual certification with the FCC and USAC. The certification required specifically for rural carriers to receive federal universal service support for all four quarters during calendar year 2016 is currently due to be filed with the FCC and USAC on or before October 1, 2015. 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 certify that the carriers listed will only use the support for the provision, maintenance and upgrading of facilities and services for which the support is intended.

As the Commission is aware, at the beginning of October 2014, the Company acquired the assets of Knology Community Telephone, Inc., a rural telephone company that has previously been designated by this Commission as an ETC, and Knology of the Black Hills, LLC, a competitive local exchange telephone company that has previously been designated by this Commission as an ETC. See Order Granting Eligible Telecommunications Designation; Order Granting Relinquishment of Eligible Telecommunications Designations; Order Granting Certification, TC14-073 (Sept. 24, 2014). The assets which were acquired were used in the business of providing residential and commercial cable television series, local exchange services and interexchange services and high speed Internet services in South Dakota. *Id.* This resulted in the facilities to be used by Vast Broadband to provide these services which includes local exchange services. *Id.* As part of this transaction, Vast Broadband was designated as an ETC in the exchanges in which Knology Community Telephone, Inc. and Knology of the Black Hills, LLC had been designated. *Id.* Accordingly, in a letter filing made with the FCC dated October 30, 2014, the Commission certified to the FCC and USAC that Vast Broadband was eligible to receive high-cost support for 2014 and 2015. As part of its annual request to the Commission for certification, Vast Broadband hereby provides the following information which pertains to the

three months of 2014 in which the Company owned and operated the facilities and after it had been designated as an ETC as well as for 2015 and beyond:

1. The Company provides incumbent and competitive local exchange telephone services, including all of the essential services that are included in the federal definition of universal service, to approximately 2771 access lines within its established incumbent rural service area in South Dakota and approximately 7,567 access lines within its established competitive rural service area in South Dakota

2. The provisions of ARSD §§ 20:10:32:54 addressing the annual “Certification requirements” set forth by this Commission indicate in part that the ETC must show “how much universal service support was received.” Accordingly, the Company’s 2014 federal universal service receipts for the final three months of 2014 in which the Company owned the facilities are reflected on Confidential Exhibit A-1 and A-2 hereto (presented as part of the Company’s “Progress Report” and §§ 20:10:32:54(2)). These same Exhibits also show total expenditures of the Company for this time period in 2014 related to the provision, maintenance and upgrading of the facilities and services that are supported by federal universal service funding. Estimates of the expenditures to be made by the Company in the first two years of its five-year plan (calendar year 2015 through 2019), related to the provision, maintenance, and upgrading of facilities and services supported by federal universal service, are provided on Confidential Exhibit B-1 and Exhibit B-2 hereto as part of the Company’s current Five-Year service quality improvement plan associated with the FCC’s requirement in section 47 C.F.R. §54.202(a)(1)(ii) and included in the Form 481. Consistent with federal universal service principles, the Company will use federal universal service amounts received in the last three months of 2016 to offset a portion of these 2016 expenditures. This use of federal universal service support will enable the Company 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; and (2) to upgrade its telecommunications facilities and equipment as necessary to meet evolving service requirements, including those related to broadband services, and maintain high quality service. The use of federal universal service support for these purposes is clearly consistent with the federal universal service provisions.

3. Attached as Confidential Exhibit B-1 and Exhibit B-2 are copies of Vast Broadband’s FCC Form 481s as required by 47 C.F.R. § 54.313 and 54.422. The Company files two Form 481s with the FCC and USAC that for the two study areas codes associated with the facilities that were purchased. These exhibits provide the requirements associated with §§ 20:10:32:54(3), 20:10:32:54(4) and 20:10:32:54(5), on lines 220, 300-330 and 400-450 of Form 481 respectively. The Company was informed by USAC their filings should include the data for the first nine months of 2014 which would have been filed by Knology Community Telephone, Inc. and Knology of the Black Hills, LLC if the assets had not been sold to Vast Broadband. Accordingly, these filings contain data related to these companies as well as Vast Broadband’s data which fulfils the requirements associated with §§ 20:10:32:54(3), 20:10:32:54(4) and 20:10:32:54(5), on lines 220, 300-330 and 400-450 of Form 481s respectively. A redacted copy of Form 481 is attached as Exhibit B-3 for the ILEC.

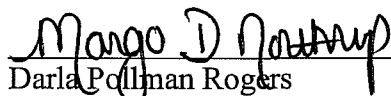
4. Exhibit C is a document containing other certifications, including those required under the provisions of ARSD §§ 20:10:32:54(6) and 20:10:32:54(7). ARSD §§ 20:10:32:54(8) and 20:10:32:54(9) were waived in their entirety as part of PUC docket TC13-027.

5. In the Commission's Docket TC13-027 (*In the Matter of the Consideration of Eligible Telecommunications Carrier Certification Requirements*) in its "Order Clarifying Eligible Telecommunications Carrier Certification Requirements" issued May 20, 2015, the Commission required a copy of "their most recent FCC 477 submission data in electronic spreadsheet format, where applicable, when carriers file their annual requests for ETC designation." Voice and broadband providers made their most recent FCC 477 submission in February 2015 which was for data as of December 31, 2014. Attached as Confidential Exhibit D is the Company's most recent Form 477 submission. Confidential Exhibit D includes a PDF copy of the completed 477 and four spreadsheets with the associated CSV file(s) submitted to the FCC in 2015.

6. Based on all of the foregoing information, including the information provided on Confidential Exhibits A-1, A-2, B-1, and D, and Exhibits B-2, B-3, and C, the Company requests that this Commission issue an appropriate certification to the FCC and USAC indicating that Vast Broadband 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 2016. In order to ensure that this certification is issued to the FCC prior to October 1, 2015, the Company would further ask the Commission to expedite the process that is initiated based on this filing.

Dated this 30 day of June, 2015.

Respectfully submitted,



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