

**BEFORE THE  
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

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<b>IN THE MATTER OF THE REQUEST OF MIDSTATE COMMUNICATIONS, INC. FOR CERTIFICATION REGARDING ITS USE OF FEDERAL UNIVERSAL SERVICE SUPPORT.</b>	) ) ) ) ) ) )	<b>ANNUAL ETC CERTIFICATION FILING</b>
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COMES NOW, Midstate Communications, Inc., a South Dakota corporation (the “Company”), by and through its attorney, makes this filing to seek certification from the South Dakota Public Utilities Commission (the “Commission”) 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 high cost support provided to carriers 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 high cost universal service support for all four quarters during calendar year 2020 is currently due to be filed with the FCC and USAC on or before October 1, 2019. 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 high cost 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 part of its annual request to the Commission for certification, the Company provides the following information:

1. The Company is a rural telephone company that has previously been designated by this Commission as an ETC. The Company provides: (A) local exchange voice services to approximately 5,060 access lines; and (B) broadband services to approximately 3,973 customer locations within its established rural service area(s), study area(s) in South Dakota. These services include all the essential services that are included in the federal definition of universal service.

2. The provisions of ARSD§20:10:32:54 addressing the annual “Certification requirements” adopted by this Commission require a progress report on any previously filed service quality improvement plan. Thus, the Company files as Exhibit A hereto its progress report which report is incorporated herein by this reference. The provisions of ARSD §20:10:32:54 in part ask for information on “how much universal service support was received” by the ETC. Accordingly, Exhibit A includes the Company’s 2018 federal universal service receipts. This same Exhibit also shows total expenditures made by the Company in 2018 relating

to the provision, maintenance and upgrading of facilities and services for which universal service support is intended under federal law. In addition, to the extent that the Company's actual capital investments in 2018 differ from the 2018 planned investment information previously provided to this Commission, the differences are noted in Exhibit A. Finally, Exhibit A, per the provisions of ARSD§20:10:32:54(2) includes additional information detailing progress made toward meeting 2018 service quality improvement plan targets, providing an explanation regarding any network improvement targets that were not met.

3. The Company also provides the Commission with a "two-year service quality improvement plan" as required by ARSD § 20:10:32:54(1) including planned expenditures for calendar years 2020 and 2021 relating to the provision, maintenance, and upgrading of facilities and services for which universal service support is intended. The Company's estimated expenditures during calendar years 2020 and 2021 are set forth on Exhibit B attached hereto and incorporated herein by this reference.

4. The Company is using federal high cost universal service support amounts thus far received in 2019 to meet the objectives identified in previously filed service quality improvement plans and will continue to do so with respect to universal service amounts received in 2020. This use of federal universal service support will enable the Company to: (A) 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 (B) 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 high cost universal service support for these purposes is clearly consistent with the federal universal service provisions.

5. Lastly, also attached is Exhibit C a document containing the certifications required under the provisions of ARSD §§20:10:32:54(6) and 20:10:32:54(7). Consistent with the Commission's Order Waiving ETC Certification Requirements issued on May 2, 2019 in Docket AA19-01, the remaining ETC certification rule provisions found in ARSD §§ 20:10:32:54(8) and 20:10:32:54(9) have by Order been waived by this Commission.

6. Also attached and incorporated herein as Exhibit D is the Affidavit of the Company's General Manager affirming and attesting as to the accuracy of the information set forth therein. Based on all the foregoing information, including all information provided within Exhibits A, B, C and D (attached hereto), the Company requests that this Commission issue an appropriate certification to the FCC and USAC indicating that the Company is in compliance with 47§ 254(e) and should receive all federal high cost universal service support determined for distribution to the Company in 2019. In order to ensure that this certification is issued to the FCC prior to October 1, 2019, the Company would further ask the Commission to expedite this process, to the extent needed to meet such deadline.

Dated this 28<sup>th</sup> day of June 2019.

Respectfully submitted,

CUTLER LAW FIRM, LLP



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