BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILING BY MIDSTATE TELECOM, INC. FOR APPROVAL OF REVISIONS TO ITS INTRASTATE SWITCHED ACCESS TARIFF	))))	**ORDER REQUIRING NO REFUND WITH INTEREST AND CLOSING DOCKET TC04-126**

On July 2, 2004, the Public Utilities Commission (Commission) received a filing from Midstate Telecom, Inc. (Midstate) for approval of revisions to its Intrastate Switched Access Tariff No. 1. Midstate stated that its revised tariff rates were based on a statewide average in accordance with ARSD 20:10:27:12. These rates total $0.1325 per switched access minute of use are an interim rate based on the statewide average of the cost companies developed in Docket TC04-119.

On July 8, 2004, the Commission electronically transmitted notice of the filing and the intervention deadline of July 23, 2004, to interested individuals and entities. No comments or petitions to intervene were filed.

On August 17, 2004, the Commission considered Midstate's request for approval of revisions to its Intrastate Switched Access Tariff No. 1. Commission Staff recommended approval of the revised tariff rate subject to refund, with interest, should the final rate be lower than the interim rate. The Commission has jurisdiction over this matter pursuant to SDCL 49-31-18, 49-31-19 and ARSD 20:10:27:12. The Commission voted to approve the revisions to Midstate's Intrastate Switched Access Tariff No. 1 subject to refund, with interest, should the final rate be lower than the interim rate.

On April 27, 2005, Midstate filed for a three year exemption from filing cost-based switched access rates and for approval of its Intrastate Switched Access Tariff No. 1 in TC05-060. On April 7, 2006, the Commission received a Joint Motion for Approval of Settlement Stipulation, Settlement Stipulation and memorandum from Staff. The Commission by order dated April 25, 2006, granted the Petition for Extension and approval of Tariff, granted the Joint Motion for Approval of Settlement Stipulation, and approved the Settlement Stipulation. A switched access rate of $0.1150 per switched access minute of use was approved to be effective July 1, 2006. On November 8, 2006, the Commission received a Settlement Stipulation resolving switched access cost studies filed by various incumbent local exchange companies and the Local Exchange Carriers Association on various dates throughout 2004, 2005, and 2006. Agreement was reached on all outstanding issues in the cost studies and a switched access rate of $0.1250 was agreed upon on a go-forward basis, and there would be no retroactive adjustment or refund with interest of intrastate switched access rates previously charged by LECA companies, prior to this agreement. The statewide average of the cost companies developed in Docket TC04-119 was determined by Staff to be $0.1225. The Commission approved the Settlement Stipulation on December 28, 2006.

At its regularly scheduled meeting of February 13, 2007, the Commission considered whether or not to require a refund with interest from Midstate. The Commission also considered whether to close the docket. Because of the relationship of Midstate's rates to the LECA rates established in the LECA Settlement Stipulation, the Commission found that it was appropriate to afford the same refund treatment to Midstate as was approved for the LECA companies in Docket TC04-119, and the Commission voted unanimously to not require a refund with interest from Midstate and to close the docket. It is therefore

ORDERED, that no refund with interest is due from Midstate and this docket is closed.

Dated at Pierre, South Dakota, this 28th day of February, 2007.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically

By: Delaine Kolbo

Date: 3/2/07

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

DUSTIN M. JOHNSON, Chairman

GARY HANSON, Commissioner

STEVE KOLBECK, Commissioner