BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE REQUEST OF QWEST CORPORATION FOR CERTIFICATION REGARDING ITS USE OF FEDERAL UNIVERSAL SERVICE SUPPORT	))))	**ORDER GRANTING CERTIFICATION** **TC07-059**

On May 30, 2007, the South Dakota Public Utilities Commission (Commission) received a filing from Qwest Corporation (Company) regarding its Request for Certification Regarding its Use of Federal Universal Service Support. The purpose of this filing was to provide information constituting Company's plan for the use of its federal universal service support and to otherwise verify that Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. § 254. As a part of its plan, Company listed estimates of the support it expected to receive from the Universal Service Administrative Company (USAC) as well as its estimated costs for the provision, maintenance, and upgrading of facilities and services. Pursuant to 47 C.F.R. § 54.313, a state that desires a non-rural carrier within its jurisdiction to receive future federal universal service support must file an annual certification with the Federal Communications Commission and USAC stating that federal high cost support provided to such carriers within that state will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. This certification requirement applies to various categories of federal universal service support. Support provided under FCC rules will only be made available if the State Commission files the requisite certification pursuant to § 54.313. Pursuant to § 54.316, a state commission must also annually review the comparability of residential rates in rural areas of the state served by non-rural incumbent local exchange carriers to urban rates nationwide.

On May 31, 2007, the Commission electronically transmitted notice of the filing and the intervention deadline of June 8, 2007, to interested individuals and entities. No parties sought intervention.

At its regularly scheduled meeting of August 28, 2007, the Commission considered this matter. The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26, 49-31, and 47 U.S.C. § 254. The Commission found that the Company is eligible to receive federal support as it states it will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended. The Commission also found that Qwest's residential rates are below the most recent federal benchmark rate of $34.58. The Commission unanimously voted to approve Company's Request for Certification Regarding Its Use of Federal Universal Service Support and found Qwest's residential rates in its rural areas are reasonably comparable to urban rates nationwide. It is therefore

ORDERED, that the Company is eligible to receive federal support as it states it will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended. It is

FURTHER ORDERED, that the Commission approves Company's Request for Certification Regarding Its Use of Federal Universal Service Support. It is

FURTHER ORDERED, that the Commission certifies that the Company's residential rates in rural areas are reasonably comparable to urban rates nationwide.

Dated at Pierre, South Dakota, this 18th day of September, 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, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: Delaine Kolbo

Date: 9/18/07

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

DUSTIN M. JOHNSON, Chairman

GARY HANSON, Commissioner

STEVE KOLBECK, Commissioner